

**EOG Resources, Inc.**  
**P.O. 1910**  
**Vernal, UT 84078**

May 19, 2005

Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL  
OLD SQUAWS CROSSING UNIT II 123-27  
SW/NE, SEC. 27, T10S, R19E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-49518  
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Phone: (435)789-4120  
Fax: (435)789-1420

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

**RECEIVED**  
**MAY 23 2005**  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**001 APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-49518</b>	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No. <b>OLD SQUAWS CROSSING UNIT II</b>	
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>OLD SQUAWS CROSSING UNIT II 123-27</b>	
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43-047-36743</b>	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>2145' FNL, 1902' FEL 44193527 SW/NE</b> At proposed prod. Zone <b>39.919582 109.764858</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>	
14. Distance in miles and direction from nearest town or post office* <b>21.6 MILES SOUTHWEST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 27, T10S, R19E, S.L.B.&amp;M.</b>	
15. Distance from proposed* location to nearest property or lease line, ft. <b>1902'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>640</b>	12. County or Parish <b>UINTAH</b>	13. State <b>UTAH</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth <b>8100'</b>	17. Spacing Unit dedicated to this well <b>40</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5263.9 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	20. BLM/BIA Bond No. on file <b>MAY 23 2005</b> <b>NM-2308</b> DIV. OF OIL, GAS & MINING	
24. Attachments		23. Estimated duration <b>45 DAYS</b>	

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>May 19, 2005</b>
Title <b>Agent</b>		

Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>05-31-05</b>
Title <b>ENVIRONMENTAL SCIENTIST III</b>		
Office		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**Federal Approval of this  
Action is Necessary**

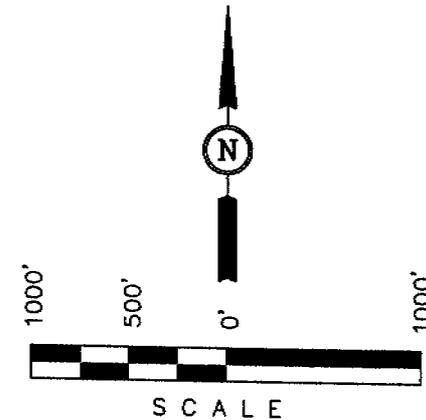
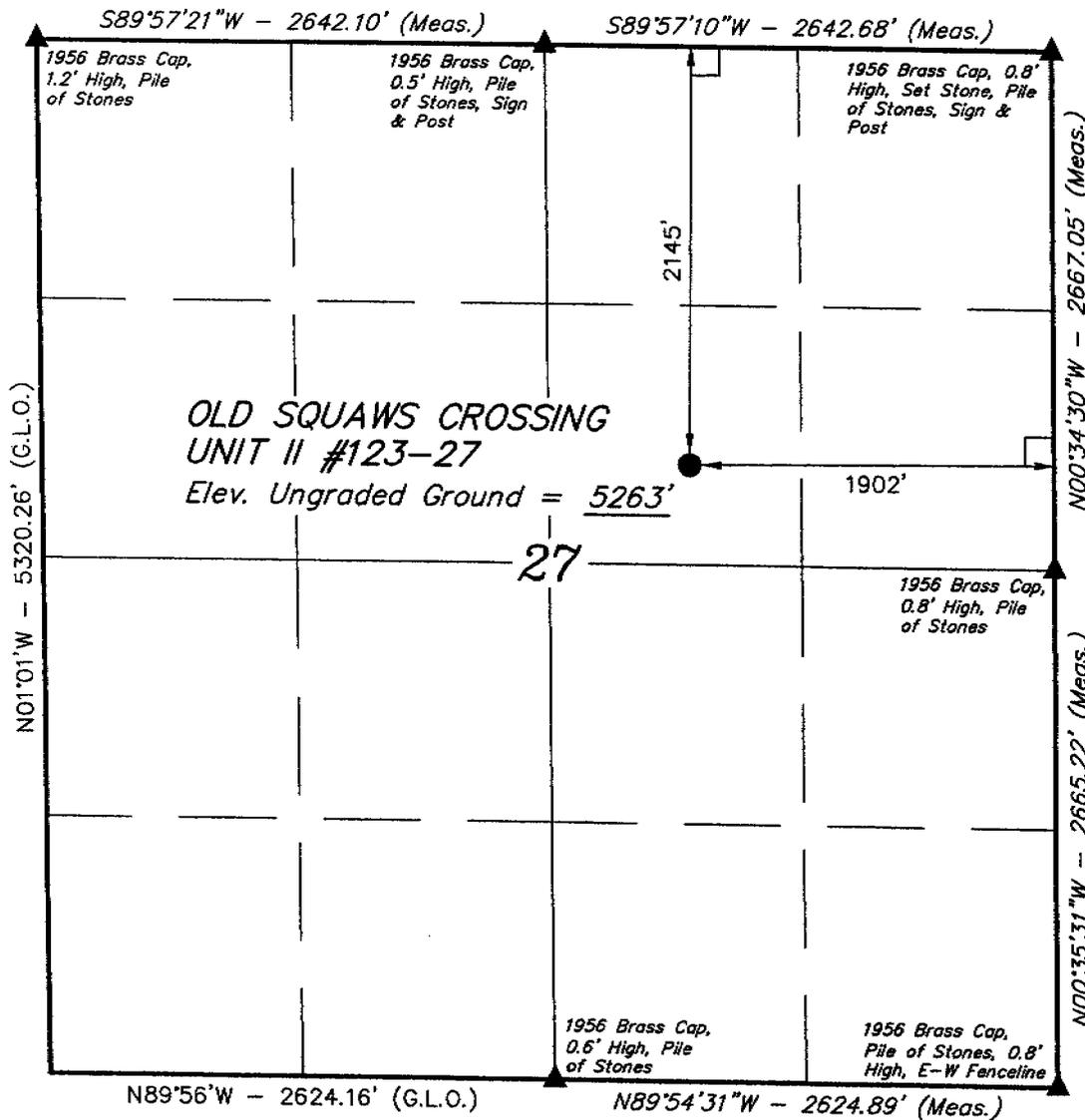
# T10S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, OLD SQUAWS CROSSING UNIT II #123-27, located as shown in the SW 1/4 NE 1/4 of Section 27, T10S, R19E, S.L.B.&M. Uintah County, Utah.

## BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R19E, S.L.B.&M. TAKEN FROM THE BIG PACK MNT. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 181319  
 STATE OF UTAH

## LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 39°55'10.49" (39.919581)  
 LONGITUDE = 109°45'56.11" (109.765586)  
 (NAD 27)  
 LATITUDE = 39°55'10.62" (39.919617)  
 LONGITUDE = 109°45'53.61" (109.764892)

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 03-14-05	DATE DRAWN: 03-28-05
PARTY G.S. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River	2,361'
Wasatch	4,455'
Chapita Wells	5,111'
Buck Canyon	5,819'
North Horn	6,627'
KMV Price River	7,954'

EST. TD: **8,100'**

Anticipated BHP **2750 PSI**

**3. PRESSURE CONTROL EQUIPMENT:**

Intermediate Hole – 3000 PSIG  
Production Hole – 3000 PSIG  
BOP Schematic Diagrams attached.

**4. CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
17 ½"	0' – 250'	250'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2300'+/- KB	2300' +/-	9 ⅝"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' – TD +/-KB	8,100' +/-	4 ½"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

**Note:** The 12 ¼" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 ⅝" casing will be set to that depth. Actual setting depth of the 9 ⅝" casing may be less than 2300' in this well.

All casing will be new or inspected.

**5. Float Equipment:**

**Surface Hole Procedure (0-250' Below GL):**

Guide Shoe  
Insert Baffle  
Wooden wiper plug  
Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

**Intermediate Hole Procedure (250'±2300')**

Guide Shoe  
Insert Float Collar (PDC drillable)  
Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

## EIGHT POINT PLAN

### OLD SQUAWS CROSSING UNIT II 123-27 SW/NE, SEC. 27, T10S, R19E, S.L.B.&M. UINTAH COUNTY, UTAH

#### Float Equipment (Continued):

#### Production Hole Procedure ( $\pm 2300'$ -TD):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at  $\pm 7,954'$  (Top of Price River) and  $\pm 4,000'$  (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to 400' above Price River top ( $\pm 30$  total). Thread lock FS, top and bottom of FC, and top of 2<sup>nd</sup> joint.

## 6. MUD PROGRAM

#### Surface Hole Procedure (0-250' below GL):

Air – Air Water Mist

#### Intermediate Hole Procedure (250'- $\pm 2300'$ ):

Water (circulate through reserve pit) with Gel/LCM sweeps.

#### Production Hole Procedure ( $\pm 2300'$ -TD):

$\pm 2300$ -7500' Use water (circulated through reserve pit) with PHPA polymer sweeps on a regular basis. Adjust frequency of sweeps based on cuttings quality and hole conditions. Gel/LCM sweeps can also be used for additional cleaning and for reducing seepage, but should not be "substituted" for the PHPA sweeps.

While on water, spot either salt water or pre-mixed weighted mud as required to prevent flow during trips after gas influxes have been encountered. Watch cuttings size, shape and quantity to determine if increase in mud weight is required. Increased mud weight is often the key to shale stability in this area. Treat for any CO<sub>2</sub> contamination with Lime and Gyp.

**7500'- TD'** Close mud system in. "Mud up" with Hi-Yield bentonite for primary viscosity and PHPA polymer for supplemental viscosity and clay encapsulation/inhibition. Utilize white Starch or PAC for filtration control. Treat with bactericide if required. Maintain pH in 9.0-10.0 range.

Expect increasing gas influxes requiring heavier mud weights as drilling progresses. Adjust mud weight as needed. Use deflocculants/thinners if required to maintain good flow properties.

Run LCM sweeps periodically to seal-off loss zones. Adjust sweep frequency based on observed losses. Maintain water loss 15 cc's or less. Treat CO<sub>2</sub> contamination with Lime and/or Gypsum.

**EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

**8. EVALUATION PROGRAM:**

**Logs: No Open Hole Logs  
Cased Hole Logs.**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (0-250' Below GL)**

**Lead: 300 sks** (100% excess volume) Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps water.

**Top Out:** Top out with Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) in mix water, 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps via 1" tubing set at 25' if needed.

**Intermediate Hole Procedure (250'-± 2300'):**

**Option #1**

**Lead: 85 sks:** (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail: 290 sks:** (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft<sup>3</sup>/sk., 7.9 gps water.

**Option 2:**

**Lead: 210 sks:** (60% excess volume) Class 'G' lead cement (coverage from 2300-1800') with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Tail: 720 sks:** (60% excess volume) Class 'G' cement (coverage from 1800'-Surface) with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Production Hole Procedure ( $\pm$  2300' to TD)**

**Lead: 110 sks** 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 ft<sup>3</sup>/sk., 9.06 gps water

**Tail: 190 sks:** 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

**10. ABNORMAL CONDITIONS:**

**Intermediate Hole (250'- $\pm$  2300'):**

Lost circulation

**Production Hole ( $\pm$  2300'-TD):**

Sloughing shales and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

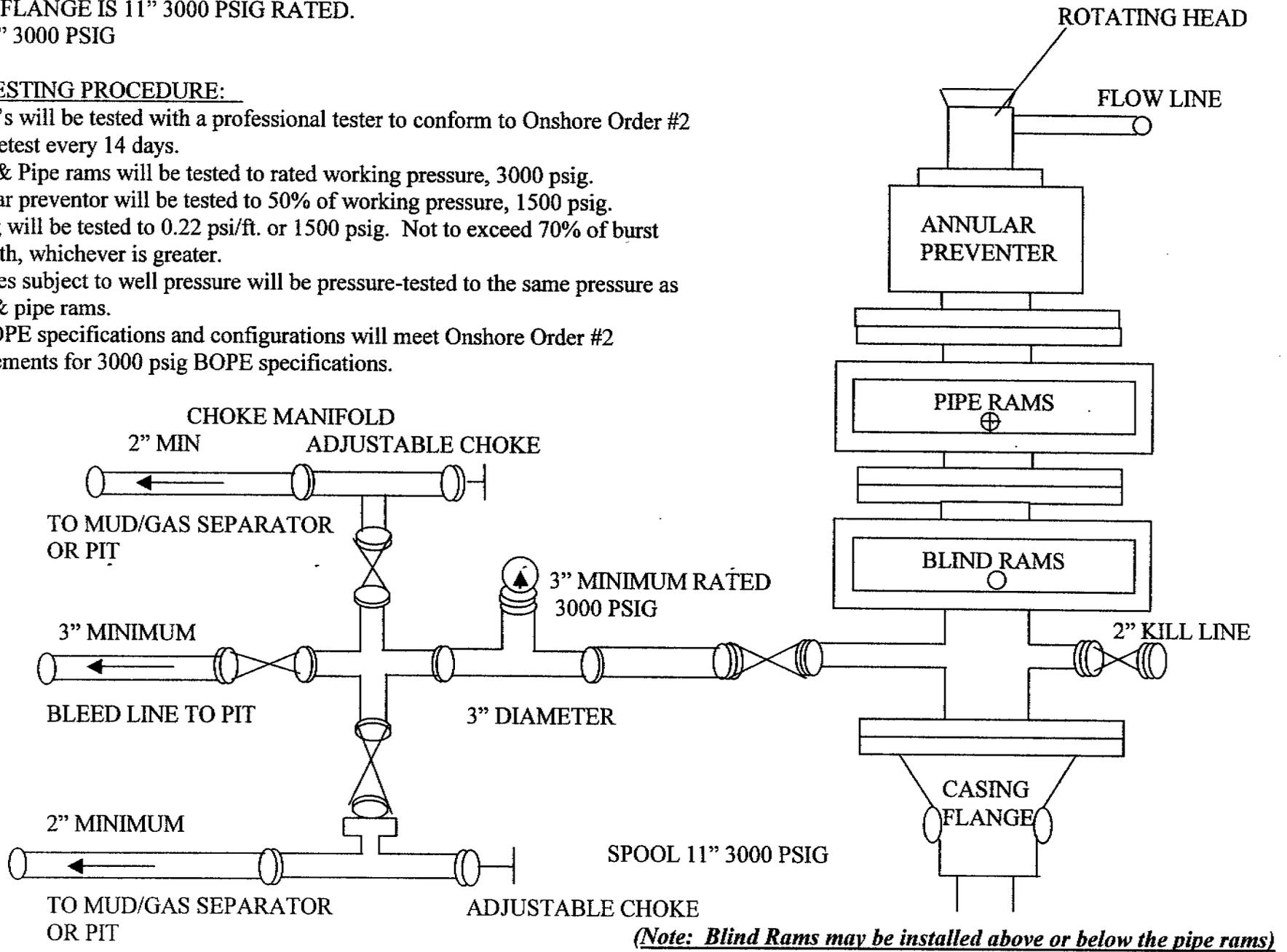
(Attachment: BOP Schematic Diagram)

### 3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.  
 CASING FLANGE IS 11" 3000 PSIG RATED.  
 BOPE 11" 3000 PSIG

#### TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



**CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.  
Well Name & Number: Old Squaws Crossing Unit II 123-27  
Lease Number: U-49518  
Location: 2145' FNL & 1902' FEL, SW/NE, Sec. 27,  
T10S, R19E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 21.6 miles southwest of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.15 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Producing wells - 21\*

B. Shut in wells - 2\*

(\*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 1501' from proposed location to a point in the NW/NE of Section 27, T10S, R19E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Old Squaws Crossing Unit II, thus a Right-of -Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee.

All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

**5. LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc.

drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
  
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

**The reserve pit shall be lined with felt and a 12 millimeter plastic liner.**

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The approved seed mixture for this location is:

Gardner Saltbush – 3 pounds per acre  
Shadscale – 3 pounds per acre  
Indian Rice Grass - 2 pounds per acre  
Hi-Crest Crested Wheat Grass – 1 pound per acre

The reserve pit will be located on the South side of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil Southwest of Corners B and 5. The stockpiled location topsoil will be stored between Corners 2 and 3. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the

approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northwest.

Corner #8 will be rounded off to minimize excavation.

### **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## 10. PLANS FOR RESTORATION OF SURFACE

### A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

### B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

## 11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

## 12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
  
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

**X No construction or drilling activities shall be conducted between April 1 and August 15 due to Burrowing Owl Stipulations.**

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Telephone: (435)789-4120  
Fax: (435)789-1420

**DRILLING OPERATIONS**

Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

**Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Old Squaws Crossing Unit II 123-27 Well, located in the SW/NE of Section 27, T10S, R19E, Uintah County, Utah; Lease #U-49518;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

5-19-2005  
Date

  
Agent

EOG RESOURCES, INC.  
OLD SQUAWS CROSSING UNIT II #123-27  
SECTION 27, T10S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE WHF #113-28 TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.6 MILES.

**EOG RESOURCES, INC.**  
**OLD SQUAWS CROSSINGS UNIT II #123-27**  
 LOCATED IN UTAH COUNTY, UTAH  
 SECTION 27, T10S, R19E, S.L.B.&M.

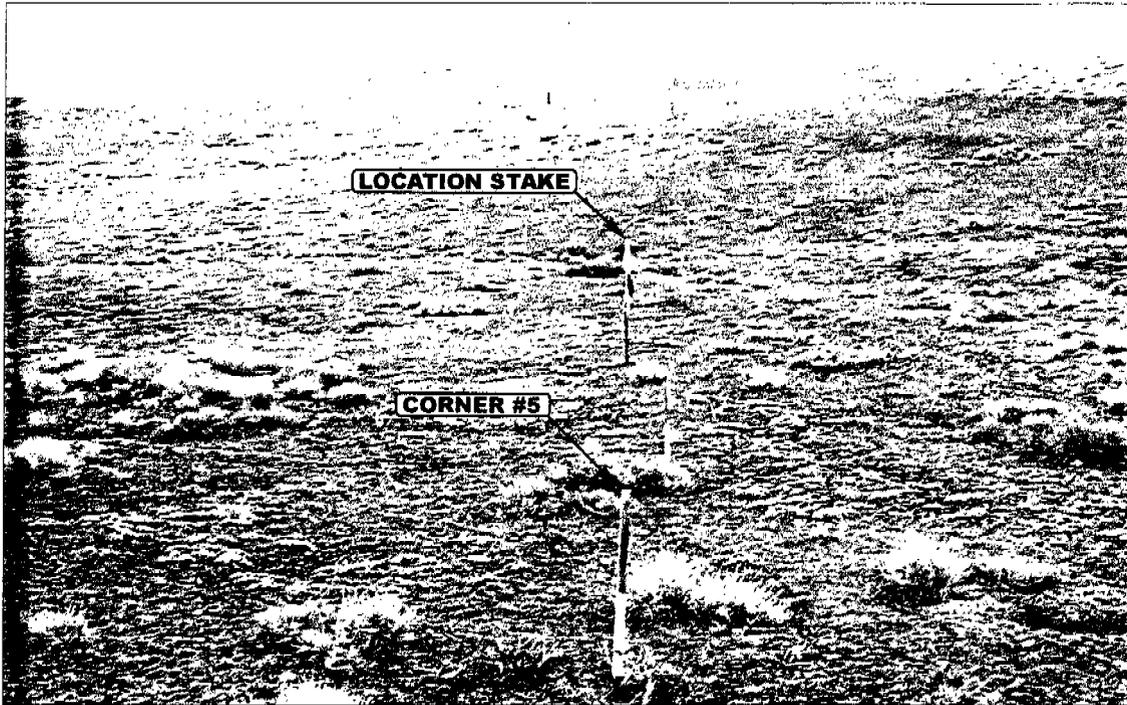


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

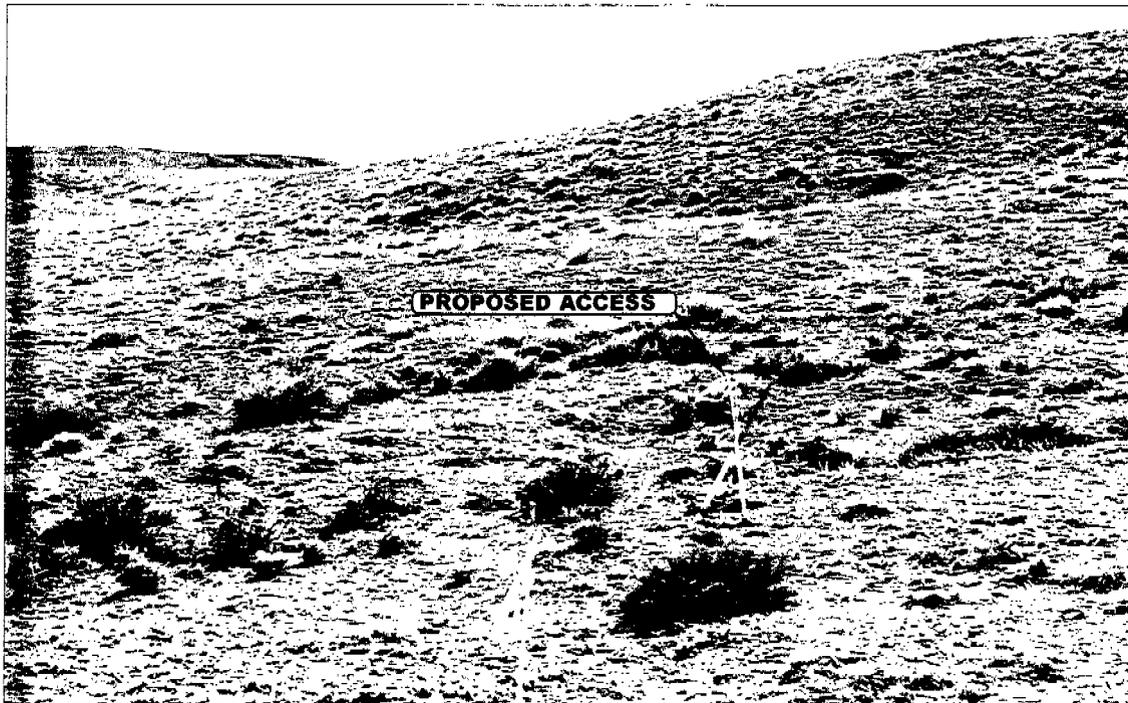


PHOTO: VIEW BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



**E&L S** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

- Since 1964 -

LOCATION PHOTOS	03	23	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: GS.	DRAWN BY: L.K.		REVISED: 00-00-00	

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR  
 OLD SQUAWS CROSSING UNIT II #123-27  
 SECTION 27, T10S, R19E, S.L.B.&M.  
 2145' FNL 1902' FEL

SCALE: 1" = 50'  
 DATE: 03-28-05  
 Drawn By: P.M.

CONSTRUCT  
 DIVERSION  
 DITCH

Reserve Pit Backfill  
 & Spoils Stockpile

Pit Topsoil

NOTE:  
 Flare Pit is to be located  
 a min. of 100' from the  
 Well Head.

FLARE PIT  
 20' WIDE BENCH  
 46'

El. 74.6'  
 C-22.7'  
 (btm. pit)

15' WIDE BENCH

Total Pit Capacity  
 W/2' Of Freeboard  
 = 12,250 Bbls. ±  
 Total Pit Volume  
 = 3,320 Cu. Yds.

RESERVE PITS  
 (12' Deep)

Sta. 0+18

SLOPE = 1-1/2 : 1

El. 77.5'  
 C-25.6'  
 (btm. pit)

C-7.3'  
 El. 71.2'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5263.3'

FINISHED GRADE ELEV. AT LOC. STAKE = 5263.9'

Proposed Access  
 Road

Existing  
 Drainage

F-13.5'  
 El. 50.4'

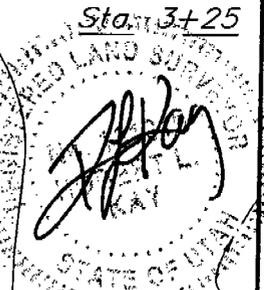
Sta. 3+25

65'  
 Install CMP  
 as Needed

F-6.2'  
 El. 57.7'

Round Corners  
 as needed

NOTE:  
 Earthwork Calculations Require  
 a Fill of 0.6' @ the Location  
 Stake For Balance. All Fill is  
 to be Compacted to a Minimum  
 of 95% of the Maximum Dry  
 Density Obtained by AASHTO  
 Method t-99.



Approx.  
 Toe of  
 Fill Slope

CATWALK

PIPE RACKS

F-0.6'  
 El. 63.3'

F-8.6'  
 El. 55.3'

Sta. 1+50

DOG HOUSE

RIG

C-2.0'  
 El. 65.9'

MUD TANKS

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

TRAILER

TOILET

FUEL

STORAGE TANK

C-6.8'  
 El. 70.7'

Sta. 0+00

20' WIDE BENCH

Topsoil Stockpile

F-3.0'  
 El. 60.9'

Approx.  
 Top of  
 Cut Slope

CONSTRUCT  
 DIVERSION  
 DITCH

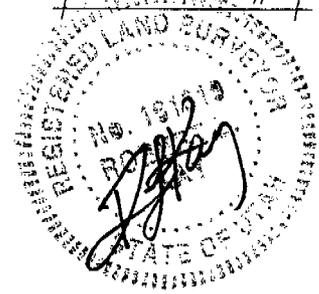
Existing  
 Drainage

EOG RESOURCES, INC.

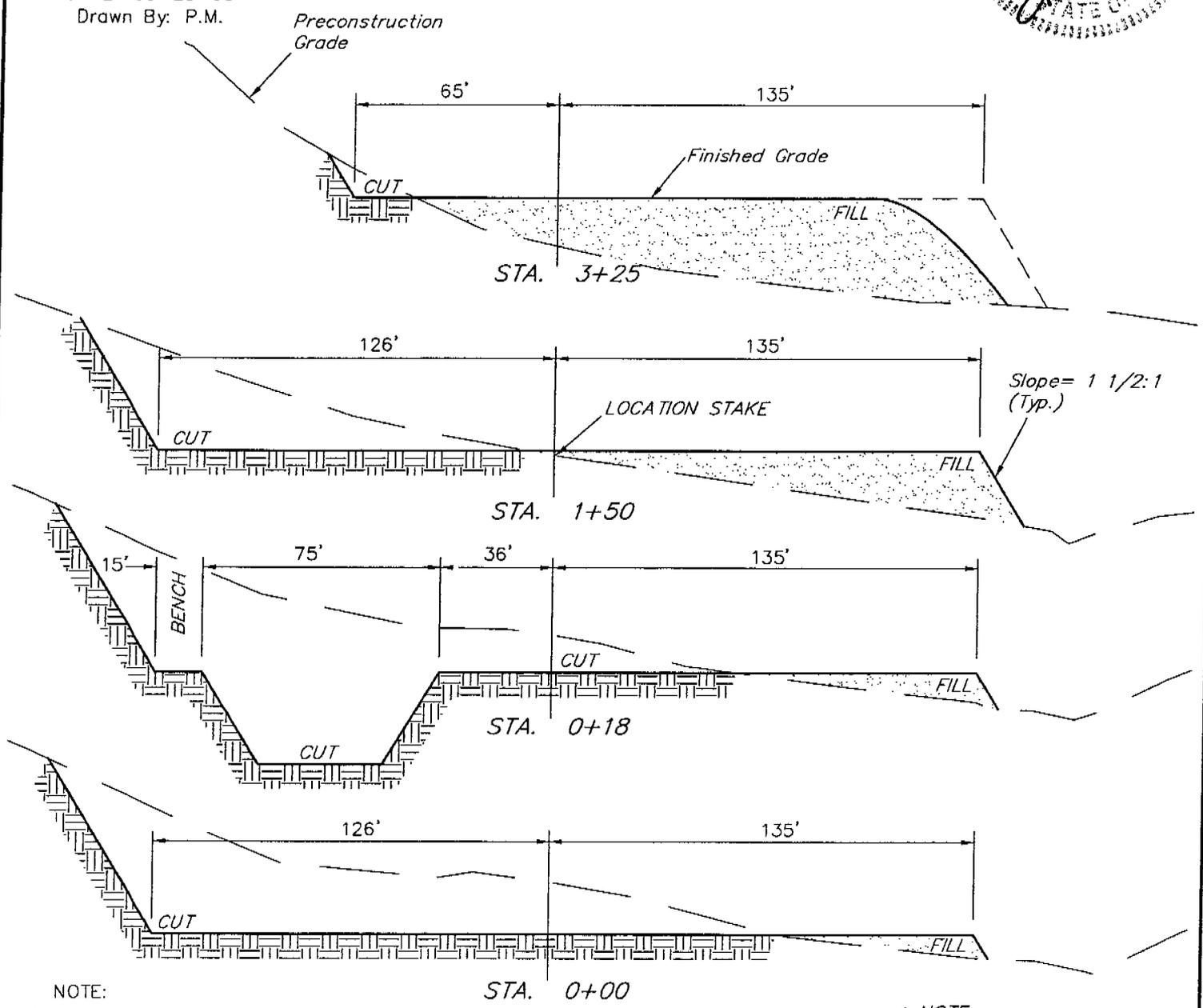
FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 OLD SQUAWS CROSSING UNIT II #123-27  
 SECTION 27, T10S, R19E, S.L.B.&M.  
 2145' FNL 1902' FEL

1" = 20'  
 X-Section Scale  
 1" = 50'



DATE: 03-28-05  
 Drawn By: P.M.



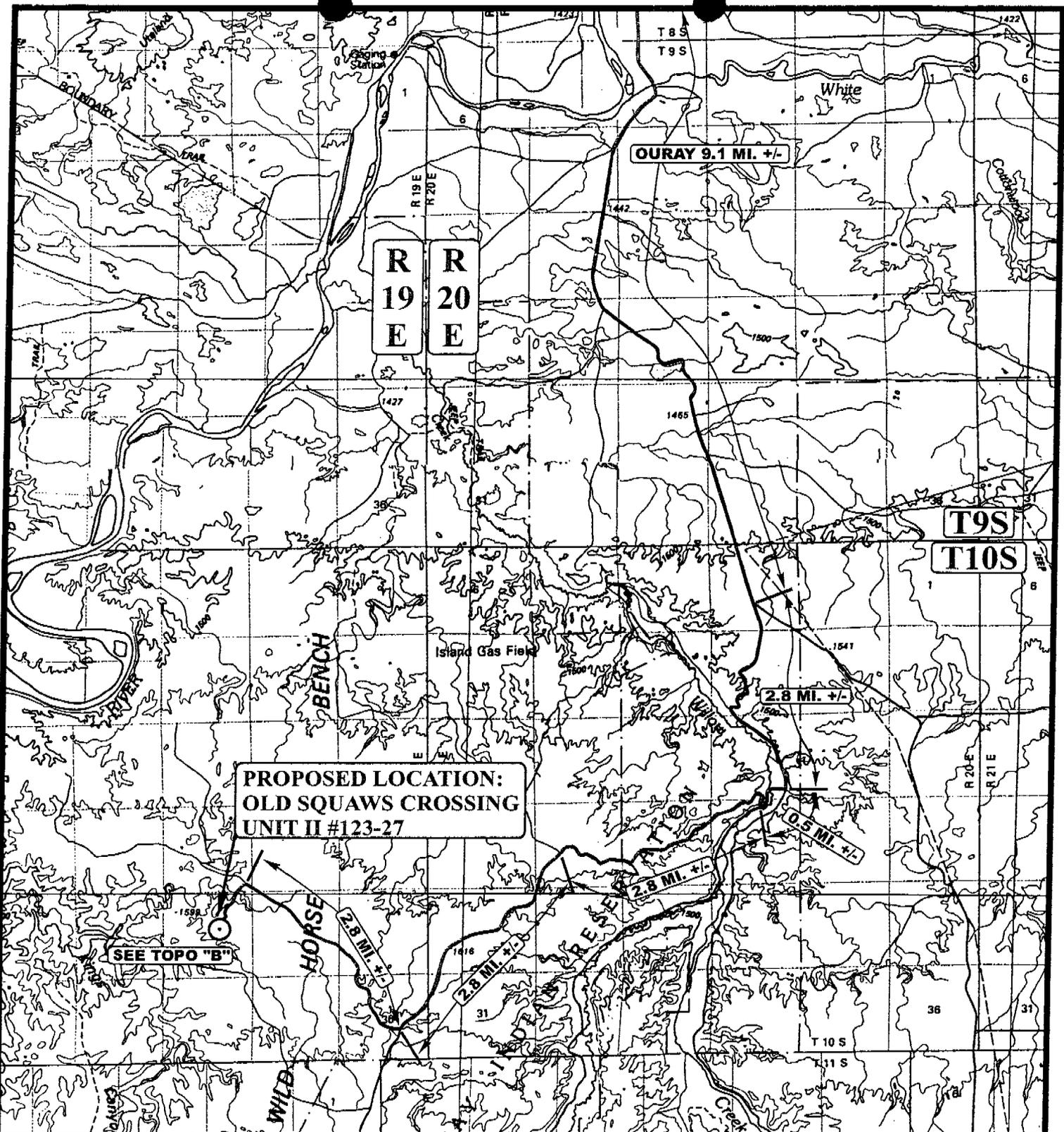
NOTE:  
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,900 Cu. Yds.
Remaining Location	= 12,110 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 14,010 CU.YDS.</b>
<b>FILL</b>	<b>= 10,450 CU.YDS.</b>

EXCESS MATERIAL	= 3,560 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,560 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
 OLD SQUAWS CROSSING  
 UNIT II #123-27**

SEE TOPO "B"

**LEGEND:**

⊙ PROPOSED LOCATION



Utah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**EOG RESOURCES, INC.**

**OLD SQUAWS CROSSING UNIT II #123-27  
 SECTION 27, T10S, R19E, S.L.B.&M.  
 2145' FNL 1902' FEL**

TOPOGRAPHIC  
 MAP

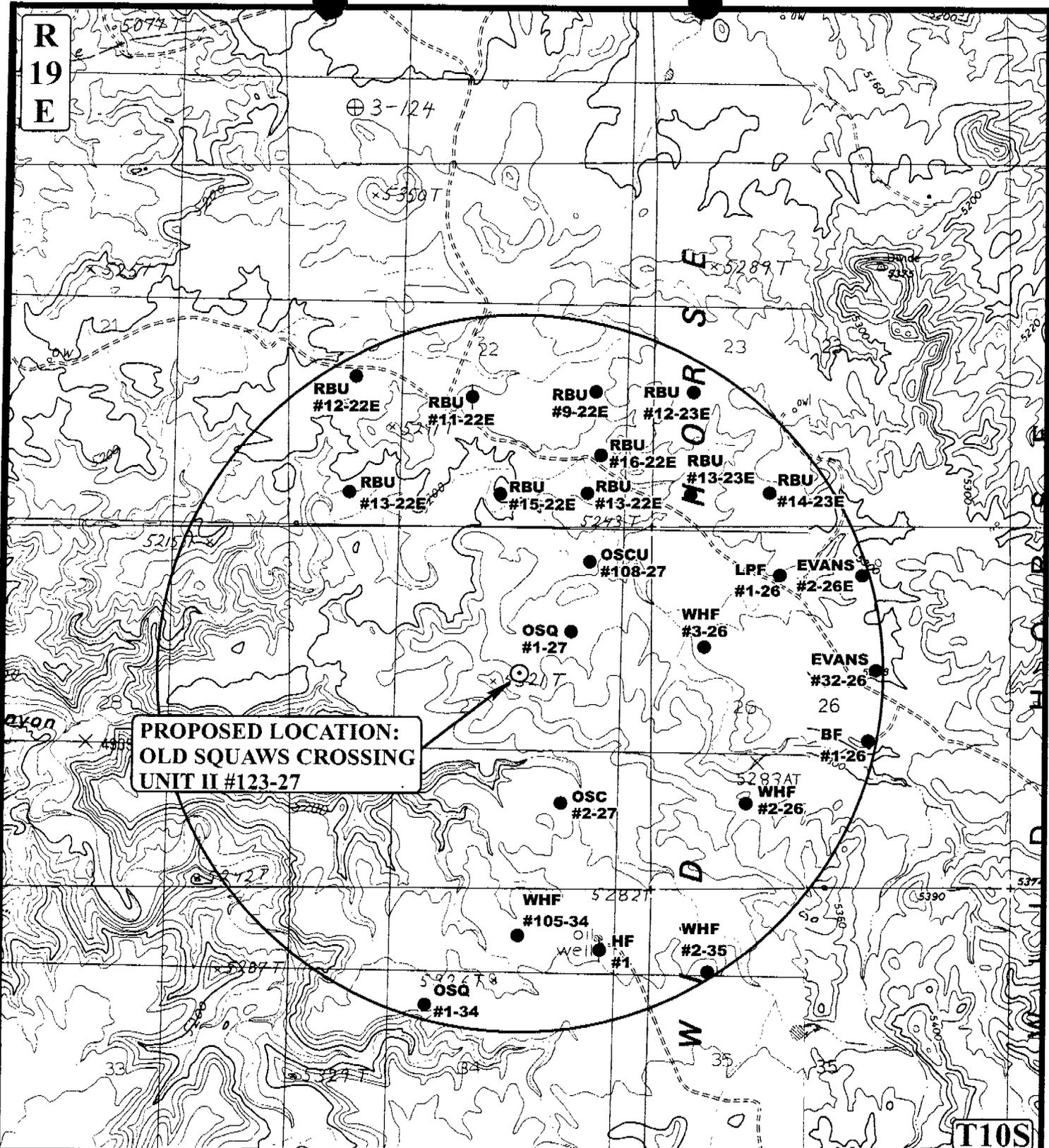
03	23	05
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: L.K. | REVISED: 00-00-00





R  
19  
E



**PROPOSED LOCATION:  
OLD SQUAWS CROSSING  
UNIT II #123-27**

T10S

**LEGEND:**

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

**EOG RESOURCES, INC.**

**OLD SQUAWS CROSSING UNIT II #123-27**  
**SECTION 27, T10S, R19E, S.L.B.&M.**  
 2145' FNL 1902' FEL



Utah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

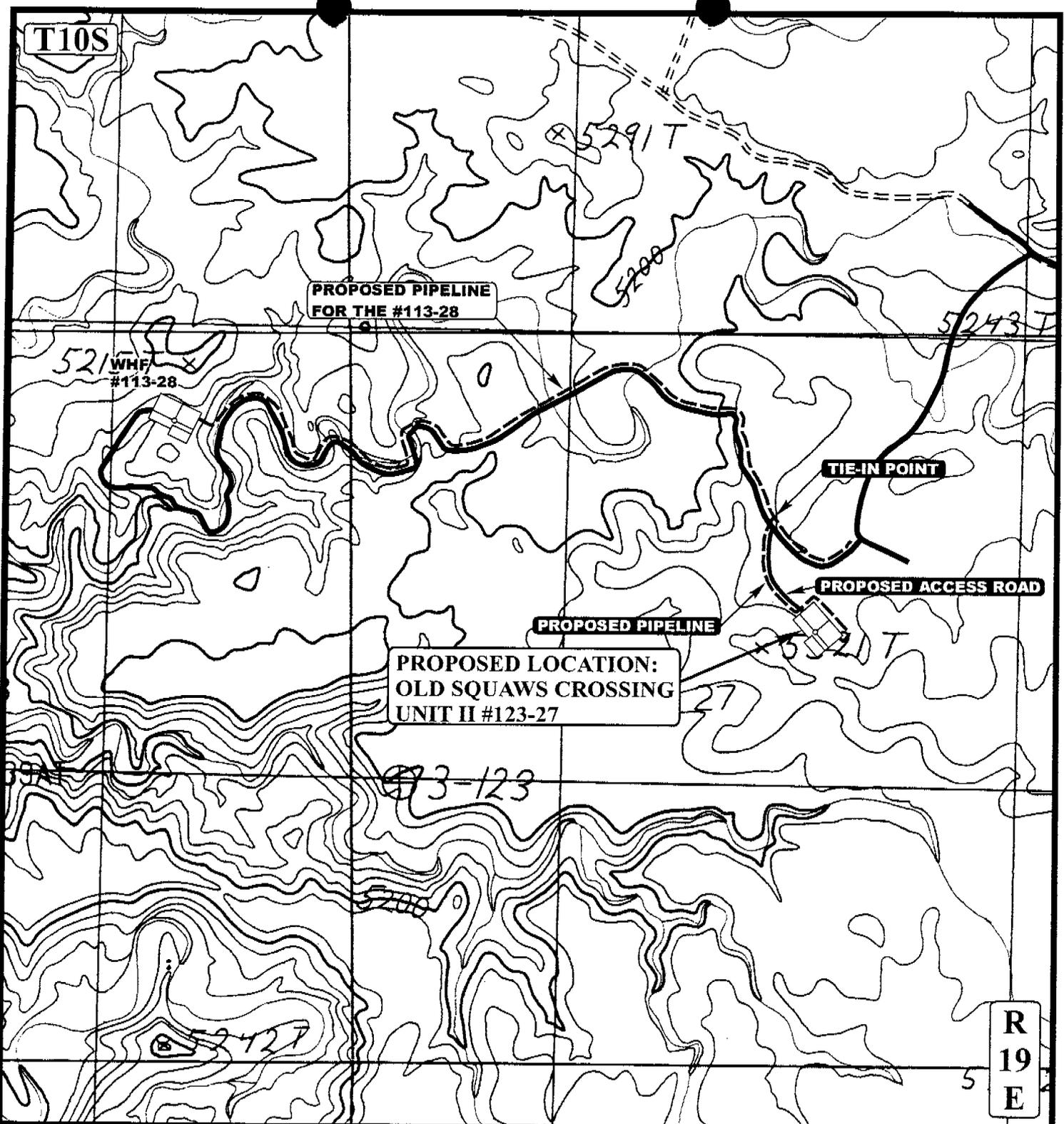


TOPOGRAPHIC  
MAP

03	23	05
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1501' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



**EOG RESOURCES, INC.**

**OLD SQUAWS CROSSING UNIT II #123-27**  
**SECTION 27, T10S, R19E, S.L.B.&M.**  
 2145' FNL 1902' FEL



**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **03** **23** **05**  
 M A P MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



APD RECEIVED: 05/23/2005

API NO. ASSIGNED: 43-047-36743

WELL NAME: OSCU II 123-27  
OPERATOR: EOG RESOURCES INC ( N9550 )  
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWNE 27 100S 190E  
SURFACE: 2145 FNL 1902 FEL  
BOTTOM: 2145 FNL 1902 FEL  
UINTAH  
NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
LEASE NUMBER: U-49518  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: PRRV  
COALBED METHANE WELL? NO

LATITUDE: 39.91958  
LONGITUDE: -109.7649

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM-2308 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-1501 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

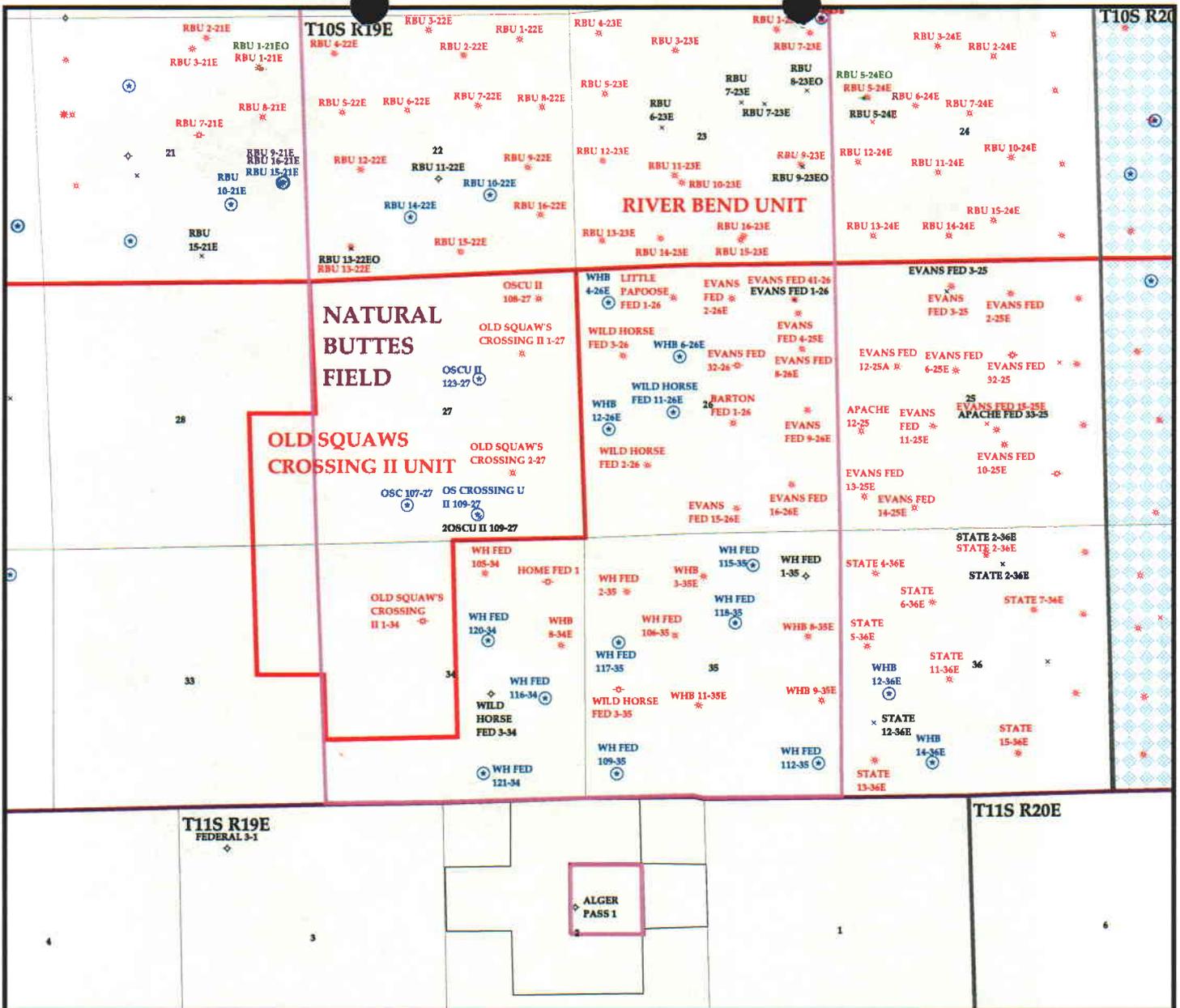
LOCATION AND SITING:

- \_\_\_ R649-2-3.
- Unit OLD SQUAWS CROSSING II
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_ R649-3-3. Exception
- \_\_\_ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- \_\_\_ R649-3-11. Directional Drill

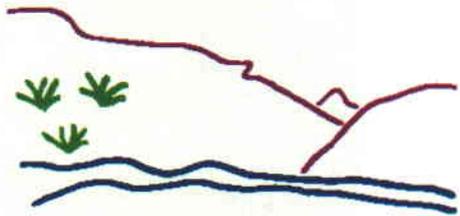
COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1- Federal Approval*  
*2- Spacing Strip*



**OPERATOR: EOG RESOURCES INC (N9550)**  
**SEC: 27 T. 10S R. 19E**  
**FIELD: NATUREAL BUTTES (630)**  
**COUNTY: UINTAH**  
**SPACING: R649-3-2 / GENERAL SITING**



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
♣ GAS INJECTION	□ EXPLORATORY	■ ABANDONED
⊛ GAS STORAGE	□ GAS STORAGE	■ ACTIVE
× LOCATION ABANDONED	□ NF PP OIL	■ COMBINED
⊕ NEW LOCATION	□ NF SECONDARY	■ INACTIVE
⊛ PLUGGED & ABANDONED	□ PENDING	■ PROPOSED
⊛ PRODUCING GAS	□ PI OIL	■ STORAGE
● PRODUCING OIL	□ PP GAS	■ TERMINATED
⊛ SHUT-IN GAS	□ PP GEOTHERML	
⊛ SHUT-IN OIL	□ PP OIL	
× TEMP. ABANDONED	□ SECONDARY	
○ TEST WELL	□ TERMINATED	
▲ WATER INJECTION		
◆ WATER SUPPLY		
♣ WATER DISPOSAL		



**PREPARED BY: DIANA WHITNEY**  
**DATE: 26-MAY-2005**

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160

(UT-922)

May 31, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2005 Plan of Development Old Squaws Crossing  
II Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2005 within the Old Squaws Crossing II, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-36743 OSCU II 123-27 Sec 27 T10S R19E 2145 FNL 1902 FEL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Old Squaws Crossing II Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:5-31-05



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 31, 2005

EOG Resources, Inc.  
P O Box 1815  
Vernal, UT 84078

Re: Old Squaws Crossing Unit II 123-27 Well, 2145' FNL, 1902' FEL, SW NE,  
Sec. 27, T. 10 South, R. 19 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36743.

Sincerely,

*For* Gil Hunt  
Acting Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** EOG Resources, Inc.  
**Well Name & Number** Old Squaws Crossing Unit II 123-27  
**API Number:** 43-047-36743  
**Lease:** U-49518

**Location:** SW NE                      **Sec.** 27              **T.** 10 South                      **R.** 19 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

MAY 20 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
**U-49518**  
6. If Indian, Allottee or Tribe Name

1a. Type of Work:  DRILL  REENTER  
1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

7. If Unit or CA Agreement, Name and No.  
**OLD SQUAWS CROSSING UNIT II**  
8. Lease Name and Well No.  
**OLD SQUAWS CROSSING UNIT II 123-27**

2. Name of Operator  
**EOG RESOURCES, INC.**

9. API Well No.  
**43-047-36743**

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078**  
3b. Phone No. (Include area code)  
**(435)789-0790**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **2145' FNL, 1902' FEL SW/NE**  
At proposed prod. Zone

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 27, T10S, R19E,  
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office\*  
**21.6 MILES SOUTHWEST OF OURAY, UTAH**

12. County or Parish **UINTAH**  
13. State **UTAH**

15. Distance from proposed\* location to nearest property or lease line, ft. **1902'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**640**

17. Spacing Unit dedicated to this well  
**40**

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C

19. Proposed Depth  
**8100'**

20. BLM/BIA Bond No. on file  
**NM-2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5263.9 FEET GRADED GROUND**

22. Approximate date work will start\*  
**UPON APPROVAL**

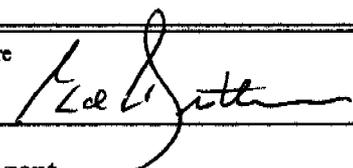
23. Estimated duration  
**45 DAYS**

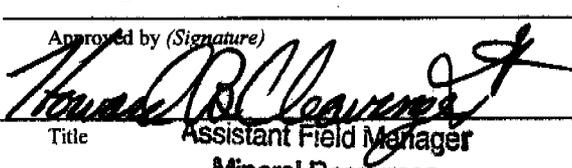
24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **May 19, 2005**  
Title **Agent**

Approved by (Signature)  Name (Printed/Typed) \_\_\_\_\_ Date **11/16/2005**  
Title **Assistant Field Manager** Office \_\_\_\_\_  
**Mineral Resources**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

NOTICE OF APPROVAL

RECEIVED  
CONDITIONS OF APPROVAL ATTACHED  
NOV 22 2005

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Operator/Company: EOG Resources Inc.

Well Name/Number: OSCU II 123-27

API Number: 43-047-36743

Location: SWNE Sec Tship Rng. 27, T10S, R19E.

Lease Number: UTU-49518

Agreement Name (If Applicable): Old Squaws Crossing Unit II

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

**CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware that fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

**Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).**

(1.) Proposed production casing cementing volumes are inadequate and does not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped should include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the formation named Wasatch. Per BLM estimates, the formation named Wasatch is estimated to be at depth feet 4564. Production casing string circulation or top of cement is to be at or above depth feet 4364 to formation Wasatch.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Michael Lee (435) 828-7875  
Petroleum Engineer

Matt Baker (435) 828-4470  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

Company/Operator: EOG Resources Inc.

API Number 43-047-36743

Well Name & Number: OSCU 123-27

Lease number: UTU- 49518

Location: SWNE Sec, 27 T, 10S, R. 19E.

Surface Ownership: BLM

Date NOS Received: 4/14/05

Date APD Received: 5/20/05

Conditions for Approval are in the APD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

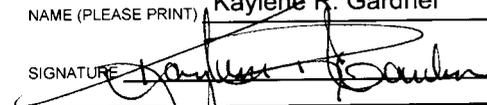
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-49518</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>OLD SQUAWS CROSSING UNIT</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>OLD SQUAWS CROSSING UNIT II 123-27</b>
3. ADDRESS OF OPERATOR: <b>P.O. BOX 1815 VERNAL UT 84078</b>	PHONE NUMBER: <b>(435) 789-0790</b>	9. API NUMBER: <b>43-047-36743</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2145 FNL 1902 FEL 39.919581 LAT 109.765586 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 27 10S 19E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b>
		STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate)  Approximate date work will start:  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only)  Date of work completion:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>APD EXTENSION REQUEST</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

6-21-06  
CRO

Approved by the  
Utah  
Oil & Gas  
Date: 05-19-06  
By: 

NAME (PLEASE PRINT) <b>Kaylene R. Gardner</b>	TITLE <b>Regulatory Assistant</b>
SIGNATURE 	DATE <b>5/16/2006</b>

(This space for State use only)

**MAY 18 2006**



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-36743  
**Well Name:** OLD SQUAWS CROSSING UNIT II 123-27  
**Location:** 2145 FNL 1902 FEL (SWNE), SECTION 27, T10S, R19E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 5/31/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

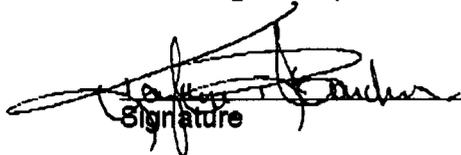
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

  
Signature

5/16/2006  
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED  
MAY 18 2006  
DIV. OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: OSCU II 123-27

Api No: 43-047-36743 Lease Type: FEDERAL

Section 27 Township 10S Range 19E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

### **SPUDDED:**

Date 09/13/06

Time 3:00 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by DALL COOK

Telephone # (435) 828-3630

Date 09/14/06 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
 Address: 600 17th St., Suite 1000N  
 city Denver  
 state CO zip 80202 Phone Number: (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36743	Old Squaws Crossing Unit II 123-27		SWNE	27	10S	19E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>KB</i>	99999	<i>10687</i>	9/13/2006		<i>9/21/06</i>		
Comments: <i>MNCS = WSMVM</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37457	Chapita Wells Unit 1095-22		SWSW	22	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>15647</i>	9/15/2006		<i>9/21/06</i>		
Comments: <i>PRRV = MVRD</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

9/15/2006

Date

**RECEIVED**

**SEP 15 2006**

(5/2006)

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-49518</b>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>	3b. Phone No. (include area code) <b>303-824-5526</b>	7. If Unit or CA/Agreement, Name and/or No. <b>Old Squaws Crossing Unit II</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>2145' FNL &amp; 1902' FEL (SW/NE) Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON</b>		8. Well Name and No. <b>Old Squaws Crossing Unit II 123-27</b>
		9. API Well No. <b>43-047-36743</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Wastach/MV</b>
		11. County or Parish, State <b>Uintah County, UT</b>

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Well spud</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The referenced well spud on 9/13/2006.**

RECEIVED

SEP 18 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>Mary A. Maestas</b>	Title <b>Regulatory Assistant</b>
Signature <i>Mary A. Maestas</i>	Date <b>09/15/2006</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2145' FNL & 1902' FEL (SW/NE)  
 Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON**

5. Lease Serial No.  
**U-49518**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**Old Squaws Crossing Unit II**

8. Well Name and No.  
**Old Squaws Crossing Unit II 123-27**

9. API Well No.  
**43-047-36743**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Wastach/MV**

11. County or Parish, State  
**Uintah County, UT**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

1. Natural Buttes Unit 21-20B SWD
2. Ace Disposal
3. RN Industries

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
**RECEIVED**  
**SEP 18 2006**  
 DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**09/15/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-49518
2. Name of Operator EOG RESOURCES, INC		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 1815 VERNAL, UT 84078	3b. Phone No. (include area code) 435-781-9111	7. If Unit or CA/Agreement, Name and/or No. OLD SQAWS CROSSING UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2145 FNL 1902 FEL (SWNE) S.L.B.&M SECTION 27, T10S, R19E 39.919581 LAT 109.765586 LON		8. Well Name and No.    123-27 OLD SQAWS CROSSING UNIT II
		9. API Well No. 43-047-36743
		10. Field and Pool, or Exploratory Area NATURAL BUTTES
		11. County or Parish, State UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
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EOG Resources, Inc. respectfully requests permission to change the TD for the referenced well,

From: 8100'

To: 11,500

A revised drilling plan is attached.

Federal Approval of this  
Action is Necessary

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 06-29-06  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 10/16/06  
Initials: RM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) KAYLENE R. GARDNER	Title REGULATORY ASSISTANT
Signature [Signature]	Date 06/21/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		

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(Instructions on page 2)

RECEIVED  
JUN 22 2006  
DIV. OF OIL, GAS & MINING

**EIGHT POINT PLAN**

**OLD SOUAWS CROSSING UNIT II 123-27**

**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River	1,615'
Wasatch	4,461'
Chapita Wells	5,111'
Buck Canyon	5,822'
North Horn	6,638'
KMV Price River	8,140'
KMV Price River Middle	9,047'
KMV Price River Lower	9,828'
Sego	10,179'
KMV Castlegate	10,295'
KMV Blackhawk	10,826'
Mancos	11,306'

**EST. TD: 11,500' or 200'± below Mancos top**

**Anticipated BHP: 6,280 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>HOLE SIZE</b>	<b>INTERVAL</b>	<b>LENGTH</b>	<b>SIZE</b>	<b>WEIGHT</b>	<b>GRADE</b>	<b>THREAD</b>	<b><u>RATING FACTOR</u></b>		
							<b>COLLAPSE</b>	<b>BURST</b>	<b>TENSILE</b>
Conductor:	17 ½"	0' – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	P-110	LTC	7560 PSI	10,710 Psi	284,000#

**Note:** 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**

**EIGHT POINT PLAN**

**OLD SOUAWS CROSSING UNIT II 123-27**

**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0'- 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, P-110 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**EIGHT POINT PLAN**

**OLD SOUAWS CROSSING UNIT II 123-27**

**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Open Hole Logs:** Open Hole Logs will be run consisting of the following:  
**Schlumberger Platform Express: Open Hole Gamma Ray, Resistivity, and Neutron Porosity**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:** **125 sks:** 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** **1320 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.  
**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**EIGHT POINT PLAN**

**OLD SOUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)



**REVISED: EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River	1,615'
Wasatch	4,461'
Chapita Wells	5,111'
Buck Canyon	5,822'
North Horn	6,638'
KMV Price River	8,140'
KMV Price River Middle	9,047'
KMV Price River Lower	9,828'
Sego	10,179'
KMV Castlegate	10,295'
KMV Blackhawk	10,826'
Mancos	11,406'

**EST. TD: 11,500' or 200'± below Mancos top**

**Anticipated BHP: 6,280 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
<b>Conductor:</b>	17 1/2"	0' – 500'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12-1/4"	500' – 3,800'KB±	9-5/8"	43.5.0#	P-110	LTC	5600 PSI	8700 Psi	1,106,000#
<b>Production:</b>	7-7/8"	3,800'± – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,710 Psi	284,000#

**Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.**

**All casing will be new or inspected.**

**REVISED: EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, P-110 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**REVISED: EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**

**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Open Hole Logs:** Open Hole Logs will be run consisting of the following:  
**Schlumberger Platform Express: Open Hole Gamma Ray, Resistivity, and Neutron Porosity**

**8. CEMENT PROGRAM:**

**Conductor Hole Procedure (Surface - 500'±):**

**Tail:** 190 sxs Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface.

**Surface Hole Procedure (Surface - 3800'±):**

**Lead:** 80 sxs Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 840 sxs Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 100' above the casing shoe.

**Production Hole Procedure (3800'± - TD)**

**Lead:** 165 sxs: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 1945 sxs: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**REVISED: EIGHT POINT PLAN**

**OLD SQUAWS CROSSING UNIT II 123-27**  
**SW/NE, SEC. 27, T10S, R19E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 500'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.  
**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 3800'±):**

Lost circulation

**Production Hole (3800'± - TD):**

Sloughing shales and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator    **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2145' FNL & 1902' FEL (SW/NE)  
 Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON**

5. Lease Serial No.  
**U-49518**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**Old Squaws Crossing Unit II**

8. Well Name and No.  
**Old Squaws Crossing Unit II 123-27**

9. API Well No.  
**43-047-36743**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Wasatch/Mesaverde**

11. County or Parish, State  
**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. requests that the drilling plan for the referenced well be changed as per the attached procedure.**

Approved by  
 Utah Division of  
 Oil, Gas and Mining

Date: 10/13/06  
 By: [Signature]

Federal Approval Of This  
 Action Is Necessary

COPY SENT TO OPERATOR  
 Date: 10-16-06  
 Initials: DM

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

[Signature: Mary A. Maestas]

Date

**10/11/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

**OCT 13 2006**

(Instructions on page 2)



## DRILLING PROGRAM

### Old Squaw Crossing Unit 123-27 Uintah County, UT

API # 43-047-36743

AFE # 303287

Lease Serial #: U-49518

#### Surface Location

2145' FNL & 1902' FEL (SW/NE)  
Section 27 T10S R19E  
Graded Elevation 5264 ft MSL  
Rig KB Height 19 ft (Pioneer #59)  
RKB Elevation 5383 ft MSL

#### Geographical Coordinates (NAD-27)

Latitude 39° 55' 10.62" N  
Longitude 109° 45' 53.61" W

#### Total Permitted Depth

11,500 ft TVD-RKB  
Straight Hole

#### Target Days

28.0 days (Spud to rig release)

#### Casing Program

Casing & Hole Size	Weight	Grade	Coupling	Setting Depth	Cement	Casing Cost
13 3/8" (17 1/2")	48#	H40	STC	535 ft	to surface	\$32.00 / ft
9 5/8" (12 1/4")	43.5#	HCP-110	LTC	3800 ft	to surface	\$44.00 / ft
4 1/2" (7-7/8")	11.6#	HCP-110	LTC	TD	to surface	\$11.00 / ft

NOTE: 13 3/8" casing has been preset & the 13 5/8" starter head installed.

#### Evaluation

**Mud log:** Mud loggers on out from under surface casing to TD. 30' samples & gas chromatograph.

**Open hole logs:** Production hole - Platform Express & Sonic (DSI), in one run.

**Sidewall cores:** None planned.

#### Special Notes

1. This well is a WILDCAT, information is to kept tight hole. Wells have been drilled in this area, but not very many to the depth we are going. We are testing a deeper interval.
2. 13 3/8" casing has been preset at 535'.
3. FMC 13 5/8", 3000 psi x 13 3/8" SOW with a C22 profile has been installed & tested. Top of the flange is 26" below ground level.
4. We are using a different wellhead than the one used on the Alger Pass well. Review the procedure and see the appendix for diagrams of the two available hanger/slip options for setting the 9 5/8" casing.
5. Ensure gas monitor on location is able to test for H2S. Two of the offsets drilled in 2001 noted 1-2ppm H2S.

**Formation Tops:**

FORMATION	TVD-RKB (ft)	Objective
Green River	1616	Possible gas
Wasatch	4462	
Chapita Wells	5112	GAS
Buck Canyon	5823	GAS
North Horn	6639	GAS
KMV Price River	8141	GAS
KMV Price River Middle	9048	GAS
KMV Price River Lower	9829	GAS
Sego	10180	
KMV Castlegate	10296	
Blackhawk	10827	GAS
Mancos	11407	
TD	11500	

NOTE: Geological control in this area is limited; TD could change. Final TD will be determined in discussion between the Geologists, Drilling Supervisor & Drilling Superintendent. If TD exceeds permitted depth, regulatory agencies need to be notified and a sundry submitted.

**MIRU**

1. MIRU. Record "rig-on-daywork" and well spud time/date on PERC report and on electronic IADC Driller's log. Ensure BLM & WOGCC regulatory notifications are made and recorded on the PERC report – contact numbers and requirements are listed in the Appendix under "Regulatory".
2. RU 13 5/8" rotating head and spacer spool (diverter system for drilling 12 1/4" section) to the pre-installed 13 5/8" starter head (26" below ground level).
3. Before drilling out:
  - a. Ensure PVT & gas monitoring system is RU and working.
  - b. Conduct a pre-spud meeting with the crews. Review shallow gas actions, roles and responsibilities and the designated muster point. Document the pre-spud on the PERC report.
  - c. Verify the starter head has a valve installed on one side and a bullplug on the other.
  - d. Ensure gas buster is RU and flare lines have been run.

**Intermediate Hole Section (535' – 3800')**

**Potential Problems:** Lost circulation and minor amounts of gas should be expected. Monitor for and report any hydrocarbon shows and/or water zones. Lost circulation has been seen in offset wells as shallow as 1615' & deep as 3000'. Stuck pipe – large hole size and high ROP, ensure hole is clean before making connections. Losses while cementing and not getting cement back to surface.

**BOP:** 13 5/8" Rotating head as a diverter system

**BHA:** 9 5/8" motor (0.08 rev/gal) / 12" roller reamer / 1 x 9" DC / 8" shock sub / 3 x 8" DC / 9 x 6 1/4" DC / 6" jars / 2 x 6 1/4" DC / 21 x 4 1/2" HWDP

**BITS:** 12 1/4" HC 606Z (HTC) – PDC rental

Backup bits: New – Reed TD 53

Mill tooth - retip (incase a wiper/clean up trip is needed)

**DEVIATION:** Wireline survey every 500'-1000' to TD. Increase frequency of surveys should hole angle dictate.

**MUD:** Viscosified water with Gel/LCM sweeps, system needs to be able to have LCM added to it losses are encountered. Drill out with system closed in using mud cleaner to reduce solids. Use Gel sweeps as needed to clean the hole. Keep the gel in the system, letting the system mud up as we reach TD. Spot a hi-vis gel/LCM pill on bottom before POOH to log/run casing.

**Keep all sizes of LCM on location incase losses are incurred.**

**MUD LOGGERS:** Gas chromatograph & 30' samples to TD.

**OPEN HOLE LOGS:** NONE

4. PU/MU BHA & drill out the surface casing shoe, ensure the shoe is clean before drilling ahead.
5. Drill to TD (adjust if needed to fit casing).
  - a. **Ensure hole is clean before making connections (large hole size, high ROP and limited GPM!!).**
  - b. Be alert for flow increases & gains in the pits. Water flows and/or gas may be encountered. Check water flows for pH contamination (Trona flows). Kill water flows containing Trona to prevent contaminating the circulating system.
  - c. Be prepared for gas, ensure crews are aware of what to do with the 13 5/8" rotating head RU.  
Take returns thru the gas buster or by-pass shakers and take returns directly to the reserve pit.
  - d. Install the rotating head rubber as soon as possible.
  - e. Use Polymer and/or Gel sweeps to clean the hole as needed and LCM to treat losses if encountered.
  - f. Ensure adequate supplies of barite, gel and mud additives are on location to kill a runaway water flow.
  - g. Surface casing to be set no less than 3800', unless discussed with the Drilling Superintendent. Monitor ROP and shaker samples to identify a competent seat for the surface casing shoe.
6. At TD circulate bottoms up and short trip as needed based upon hole conditions and previous trips. TIH & circulate bottoms up or until clean, ensuring that gas has been circulated out.
7. POOH. LD 9" DC, 8" DC & motor.
8. RU and run 9 5/8", 43.5#, P110, LTC casing. **Casing/coupling properties, & slurry recipes be found in the Appendix to this well program.**
  - a. Clean, visual and drift the casing on the rack.
  - b. Torque the pipe to optimum specifications using API modified pipe dope.

- c. Test slurries with actual mix water in advance - Schlumberger
  - d. Float equipment (PDC drillable), centralizer program and wiper plugs: FS, 1 joint casing, FC. Run bow-spring centralizers: one 10-ft from the shoe, one on top of joints #2 and #3 and then every 5<sup>th</sup> joint to surface. Thread lock the shoe and float collar. Fill the pipe as it is run.
9. With the casing on bottom, circulate at least one casing volume before cementing. Ensure gas has been circulated out of the annulus.
- a. Pump schedule (see appendix for slurry details):
    - 20-bbls freshwater
    - 11.0 ppg LEAD
    - 14.1 ppg TAIL
    - Drop top plug
    - Displace with fresh water
  - b. Stage the final 10 bbls of displacement to prevent possible cement fallback.
  - c. Bump the plug with 500 psi over final circulating pressure and check the floats.
  - d. Re-pressure the casing to 1500 psi with cement unit and chart the test for 30 minutes. 150 psi is the maximum allowable bleed off during this pressure test.
  - e. Report the estimated volume of cement returns.
  - f. If needed, perform top-off job to bring cement back to surface using 1" pipe down the annulus. Discuss with Drilling Superintendent.
10. **Check backside fluid level for stability (flow or losses).** If ok, ND and lift diverter system.
11. Determine if pipe is free and weight available to set the hanger/slips. C22 hanger has a weight-energized seal that requires 60k. C21 hanger does not require weight to energize the seals, but the seal is not effective until the casing spool has been NU. See appendix for wellhead & hanger diagrams.
- a. C22 hanger: Set the hanger and land the 9 5/8" casing in the 13 5/8" casing head with 100% of after cementing string weight. Issue a hotwork permit and cut off 9 5/8" casing. ND the diverter system & make the final cut.
  - b. C21 hanger: Set the slip segment of the C21 hanger assembly and land the 9 5/8" casing in the 13 5/8" casing head with weight that is available. Issue hot work permit and cut off 9 5/8" casing. ND diverter system. Make the final cut on the casing and install the "H" seal assembly for the C21 hanger.  
**NOTE: the annulus is not sealed off until the casing spool is NU!**
12. Install and test 13 5/8", 3000 psi x 11", 5000 psi casing spool to 3000 psi or 70% of 9 5/8" casing collapse (which ever is less).
13. NU and test 5M BOPE (double gate with pipe rams under blind rams, annular preventer, & rotating head) as per the BOP testing details in the Appendix.
14. Install wear bushing.

**Production Hole Section (3800' – 11500')**

**Potential Problems:**

Overpressure – pressure top is estimated to be at 9000', 11.0 – 12.0 ppg.

NOTE: Wild Horse Federal wells drilled earlier this year (sections 34 & 35) have seen MW 12.0-12.3 ppg.

Two of the offsets drilled in 2001 to the NE ~1 mile noted H2S at 1-2ppm. None of the other 4 offsets mentioned H2S.

Maximum Deviation on the offsets was 3 deg at 5550'.

Abrasive/hard formations: Middle Price River thru fluvial section of the Blackhawk.

Sloughing shales and key seat development are possible in the Wasatch formation.

CO2 contamination in the mud is possible in the Price River (Mesa Verde). **Keep excess lime >0.7**

**BOP:** 5M BOPE w/ 3M annular & rotating head.

**BHA:** 1<sup>st</sup> bit run: 6 ¼" motor (0.16 rev/gal) / Roller Reamer / 1 x 6 ¼" DC / Roller Reamer / 6 x 6 ¼" DC / 13 x 4 ½" HWDP / 6" Jars / 8 x 4 ½" HWDP.

Subsequent bit runs (below Price River formation): LD Roller Reamers

Roller Reamers to be 1/16" under-gauge

**BITS:** 7 7/8" DSR 616 or HTC 506Z – PDC rental

Expect 4-5 bits needed to TD could be a variation of the following:

Reed/Hycalog: DSX 716, DSX 613      HTC: HC 506Z, HC 506ZX, HC 509Z

A diamond impreg & high-speed motor are on stand-by (Smith) if needed for drilling the Lower Price River, Castlegate and upper fluvial Blackhawk formations

**DEVIATION:** Survey every 500' –1000' to TD as hole conditions permit.

**MUD:** 3800' to ± 7900' (8.5 - 9.5 ppg)

7900' to 9000' (9.5 - 11.0 ppg)

9000' to TD' (11.0 - 12.5 ppg)

Drill out with system closed in. Use Gel & PHPA sweeps as needed, keeping the sweeps in the system allowing the system to mud up. Expected MW listed above are a guide, increase MW as needed due to pressured shale and gas readings seen while drilling the well.

By 7900' maintain viscosity 35 – 40, Fluid loss 15-20, pH 9-10. Don't hesitate to fully mud up the system earlier if hole conditions dictate.

By 9000' maintain viscosity 45-50, Fluid Loss <10, pH 9-10, system needs to **be ready to weight up 1-2 ppg if needed.**

By TD reduce Fluid Loss <6 in preparation to run logs & possibly cut sidewall cores.

Carbon Dioxide contamination should be treated with Lime, Desco, Caustic Soda and Lignite. Maintain 0.5 ppg of excess lime to keep properties as needed. **Keep excess lime >0.7**

**Keep all sizes of LCM on location incase losses are incurred.**

**MUD LOGGERS:** 30' samples & gas chromatograph to TD (or as instructed by EOG Geologist).

**OPEN HOLE LOGS:** Platform Express with Sonic (DSI), in one run from TD to Intermediate casing.

15. MU BHA & RIH. Drill out the shoe and 10' of new hole. Circulate clean, spot a gel/LCM pill at the shoe and perform FIT to 12.0 ppg, and record on PASON unit.
16. Drill 7 7/8" hole section.
  - a. Parameters: WOB 5-25, RPM 30-50, GPM 380-450.
  - b. Stab rotating head rubber as needed.
  - c. Verify that the BOP stack and surface casing remain stable while drilling production hole.
  - d. From the Lower Price River thru the fluvial section of the Blackhawk expect very abrasive/hard formation. It will be critical that the driller's monitor the drilling parameters at all times thru this section.
  - e. Be prepared to weight up 1-2 ppg. Overpressure (11.0-12.0ppg) is estimated to come in at 9000'.
  - f. Ensure solids control equipment is running well, % solids will get out of hand if we don't stay on top of it. Especially in the sections with low ROP, due to the fines created.
17. At TD circulate bottoms up, then short trip as needed based upon hole conditions and previous trips.
18. Back on bottom, circulate bottoms up or until clean. **Ensure WL < 6**, previous wells have gotten tools stuck when WL was above 6. POOH racking back and prepare for open hole logs.
19. Rig up Schlumberger loggers and log from TD to the base of intermediate casing.
  - a. Logs OH with: Platform Express & Sonic (DSI)
  - b. Do not take tool protection unless specifically instructed by the Drilling Engineer or Drilling Manager.
  - c. Verify that a strip over kit is available (Schlumberger will not provide, check with WFD).
  - d. Ensure open hole logging engineer calls EOG Geologist when they arrive on location and again when tools are on bottom and logging operations begin to expedite any data delivery and subsequent coring/casing decisions. Also make sure logging engineer has copies of the proper information distribution list for the well. Check the log headers for accuracy before they are printed. **Expedite log transmission to EOG Denver Geologist for a decision on whether or not to run pipe.**
  - e. **Make sure cementers are aware of bottom hole temperature** obtained while logging in case adjustments to cement additives need to be made for proper pump time.
20. RIH to condition hole for production casing. Circulate clean and POOH sideways.
  - a. If the cementers are going to be late, we would rather wait on bottom with a drill string than with 4-1/2" casing. Consult with the Drilling Engineer/Superintendent if they are going to be late.
- 21. PULL WEAR BUSHING!!**
22. RU and run 4-1/2", 11.6#, HCP-110, LTC casing. **Casing/coupling properties and slurry recipes can be found in the Appendix to this well program.**
  - a. Clean, visual and drift the casing on the rack. Clean threads before running if dusty or if non API-modified dope (Kendex or similar) was put on at the mill.
  - b. Torque the pipe to optimum specifications using API modified pipe dope.
  - c. Float equipment, centralizer program and wiper plugs: FS, 1 joint of casing, FC, and balance of casing to surface. Run marker joints 200' above productive zones. Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to  $\pm 400'$  above the top productive zone. Thread lock FS, top and bottom of FC, and top of 2nd joint.
23. With the casing on bottom, circulate a minimum of one casing volume before cementing, thin mud to 40vis.
  - a. Work the pipe  $\pm 20'$  while conditioning prior to cementing and while cementing. Cease reciprocating the pipe if the hole starts to drag more than 40 kips.

24. Pump schedule (see appendix for slurry details) Slurries to be tested with actual mix water in advance

20-bbls of Chemical Wash

10-bbls freshwater

13.0 ppg LEAD

14.1 ppg TAIL

Clean Lines

Drop top plug

Displacement fluid: Freshwater w/ 2% Claystabilizer (KCL substitute)

- a. Make sure lines are cleaned before dropping the plug.
  - b. Ensure the wiper plug leaves the head (witness the tattle tail).
  - c. Pump until the plug lands (with in reason and if no questions about plug leaving the cmt head). Bump the plug with 1000 psi over final circulating pressure (max 5000 psi).
25. Check backside fluid level for stability (flow or losses). If ok, ND and lift BOP.
26. Set the 4 ½" slips and land the casing with full buoyed string weight (in cement). Show the weight of the string (without the blocks) after cementing and the weight set on the slips on the PERC report.
27. Monitor and record the LEL level in and around the cellar and issue a hot work permit before cutting the casing. **The casing stub must have 8-inches usable remaining above the flange.** Cover the stub to prevent anything from falling into the well. ND BOP.
28. Install & test 11", 5000psi x 4 1/16", 10,000psi tubing spool.
29. Install and test 4 1/16", 10,000psi x 2 1/16", 10,000psi adapter, complete with blank flange, valve and pressure gauge (night cap until tree is installed)
30. Release rig when wellhead has been installed and tanks are cleaned. The toolpusher and EOG drilling foreman should agree the date and time of rig release and record same on the electronic IADC Driller's Log and on the PERC report.
31. Fill out a Field Requisition form on any pipe or equipment transfers and on the final rig diesel volume to be transferred to the next well. Forward the white and pink copies to the Drilling Engineer. Show diesel transfer on the final PERC report.

## APPENDIX

**Regulatory**

An approved copy of the APD and any sundry notices must be on location during all construction, drilling and completion operations. Record all regulatory agency notifications on the PERC report in the format: *Contacted "Name of Person" \ "Agency" \ "Agency Office Location" \ "Time" \ "Date" \ "Reason Contacted"*.

On Federal leases notify the BLM 48 hours prior to spud and 24 hours before formation integrity tests, BOP tests and before running and cementing casing. **Voice mail messages left with the BLM do not constitute official notification.**

Notify the State of Utah Dept of Natural Resources Oil and Gas Division 24 hours prior to spud and BOP tests.

<b>Vernal BLM</b>		<b>Main Office → (435) 781-4400</b>	<b>Fax → (435) 781-4410</b>
<b>Name</b>	<b>Position</b>	<b>Office</b>	<b>Cell</b>
Matt Baker	Petroleum Engineer	435-781-4490	435-828-4470
Michael Lee	Petroleum Engineer	435-789-4432	435-828-7875
Jamie Sparger	Petroleum Technician	435-781-4502	435-828-3913
After hours #		435-781-4513	
<b>WOGCC</b>		<b>Main Office → (801) 538-5340</b>	<b>Fax → (801) 538-3940</b>
<b>Carol Daniels</b>	<b>Spud Notice</b>	<b>801-538-5284</b>	
<b>Dan Jarvis</b>	<b>P&amp;A Notice</b>	<b>801-538-5338</b>	

\*\*Report all water shows prior to setting the next casing string and submit any samples obtained to BLM office.

**Safety**

All EOG, Ensign USA Drilling, and applicable governmental safety regulations are to be adhered to at all times by all personnel on location—no exceptions. PPE required includes hard hats, steel-toed boots, and safety glasses with side shields. Hold and document tourly safety meetings. Accident reports are to be reported and filled out in a timely manner. Post latitude and longitude of location where it is accessible in the event an air ambulance is required. Firearms, drugs, alcohol and dogs are strictly prohibited on EOG locations.

No unauthorized vehicles or personnel are allowed on location. Any suspicious activity should be reported to EOG Supervisors and local law authorities. Hot work permits are to be properly filled out and issued for any operations on location requiring an open flame, welding, burning, use of spark-producing equipment (i.e., drills, grinders, etc.) or other operations that could present a fire hazard.

**Incentive Plan**

A safety bonus of \$25/day will be paid to each rotary rig crew member, toolpusher and EOG well site supervisor for each day worked during MIRURT, drilling and RDRT operations on this well, provided no Lost-Time Accidents or Safety Policy Violations are incurred by anyone on location. Safety is an individual and team responsibility. In the event Safety Policies are intentionally violated, EOG has the sole authority to reduce the amount of bonuses paid to the person or complete crew. Additionally and provided no Lost-Time Accidents or Safety Policy Violations are incurred by anyone on this well, a performance bonus will be paid to each rotary crew member, toolpusher and EOG well site supervisor based on the actual total time from rig accept on this well until rig release on this well. The amount of the bonus will be proportional to the difference between the "target" days and the actual drilling and move time achieved. "Target" days are established based upon an historical average in the area for trouble-free operations and total depth for the well and include all operations. All bonuses paid will be inclusive of any payroll or tax burden (i.e. gross dollars and subject to all employer tax and other payroll deductions). Personnel must remain through the end of the well to qualify for participation in the plan.

### **Materials**

All casing and wellhead equipment is to be coordinated with Tom Heydt, EOG, Big Piney warehouse. Float equipment will be obtained by the foreman from the container at the Moxa Yard. Fill out Field Requisition Forms on all of above-mentioned materials moved (except new casing hauled from Bunning yard, Rock Springs to the wellsite). Also fill out Field Requisition Forms on any new bits taken from the warehouse or any used bits returned to the warehouse. Forward white & pink copies of Field Requisitions to Drilling Engineer. Use "threads-off" lengths for casing on Field Requisition and write on the form somewhere that lengths are as such.

### **Pit Liner**

The reserve pit will be lined with plastic. The EOG Construction Supervisor will handle the pit liner and installation. Watch that rig crews take extra care in working on and around pit liner to insure no holes are cut in liner and water is allowed to seep behind it. Regulatory agencies will require a floating liner to be replaced, adding considerably and unnecessarily to location costs. **Build a dirt berm to protect the liner from the flare!**

### **BOP Equipment and Testing**

NU rig BOP that meets or exceeds the minimum APD requirements of an 11", 5000 psi double gate with 1 set of pipe below 1 set of blind rams, and an annular BOP. Kill line side of BOP requires at least double two-inch block valves + one 2" check valve. Choke side requires one 3" HCR valve (closest to BOP) and one 3" manually operated block valve, a 3" choke line, three way manifold with double 2" block valves on each choke wing, and double 3" block valves on panic line. Run 1 manual and 1 hydraulic choke. The lines down stream of the chokes need to be at least 2" and the panic line needs to be at least 3". A BOP Diagram is included in the APD. Choke and flare line bends must be targeted. All flare lines must be straight and properly anchored. An upper and lower Kelly cock, a floor valve for each connection in the drill string, available on the floor in the open position, and an inside BOP are minimum requirements. Electronic/mechanical mud monitoring equipment will be utilized and will include a pit volume totalizer (PVT), stroke counter and flow sensor as a minimum. The accumulator must have two independent pump systems and must be able to close and hold closed all hydraulic BOP components with the pumps shut off and maintain a closing pressure that is 200 psi above pre-charge pressure. NU rotating head.

Accumulator bottle pre-charge pressure needs to be checked on 1st well and at least every three months or five rig moves thereafter. Pre-charge must be 1000 psi  $\pm$ 10%. The BOP must be tested using a BOP tester and test plug (we cannot use rig pumps). The pipes, blinds, kill valve, choke side valve, choke line, choke manifold, Kelly cocks and Kelly, safety valve, and inside BOP must be tested to 250 psi for 10 minutes and 5000 psi for 10 minutes. The annular must be tested to 250 psi for 10 minutes and to 2500 psi for 10 minutes. BOP must be retested whenever any pressure seal is broken or every 30 days after initial installation test. Remote controls must be accessible to the driller. Hydraulic lines need to be properly hooked up and marked for proper handle orientation (i.e. open is open and closed is closed). Function test remotes when testing BOP to insure that they are operable.

Record all BOP tests, in detail (i.e. who tester was, each component tested to how much for how long, etc) in IADC Driller's log.

BOP drills must be held for each crew within 24 hours of busting the shoe and at least every week thereafter. Record each BOP drill in IADC Driller's log including how long it took to actually secure well. BOP drill stations are to be posted in doghouse and a BOP drill is not complete until each hand is at his station and the well is properly secured. Drills need to be conducted under both drilling and tripping conditions. Pipe rams must be function tested daily, annular weekly, and blinds on each trip. Record in IADC Driller's log including actual closing times. Visually verify proper operation of BOP. Trip sheets for each trip out from under shoe need to be correctly filled out and filed with company rep. after trip is complete. Train crews in proper use of trip sheet. Company rep is required to be on floor for at least the 1st 10 stands during start of trip. Record tourly SPR's after mudding up.

Install wear bushing in casing housing before RIH. Verify BOP stack is secured with turnbuckles and stable.

**Formation Integrity Test**

FIT will be conducted as follows: Drill out the shoe with fresh water and make 15 to 20-ft of new hole. Circulate clean, spot a gel pill on bottom, pull back into the shoe, close in the well and pressure up with the rig pump. Hold test pressure for 15 minutes and record the results on the Pason Unit. Retain a copy in the field well file.

**Phone List**

Service	Company	Contact	Primary	Secondary
Drilling Foremen Pioneer 59	EOG	Richard Strong or Rick Dito	307-260-8409	866-376-1146 sat
			303-824-5418 o	
Drilling Engr/Supt	EOG	Brett Thompson	303-319-8791 c	303-832-3476 h
Field Drilling Supt.	EOG	Jim Tilley	435-781-9131 o	435-828-8231 o
			303-824-5410 o	
Office Drilling Supt.	EOG	Danny Fisher	307-231-1226 c	303-840-1878 h
				303-919-6167 c
Project Geologist	EOG	Donna Anderson	303-262-2804 o	303-279-3516 h
Drilling Manager	EOG		720-289-1953 c	
		John Boyd	303-824-5570 o	303-346-6097 h
		Dal Cook	435-828-3631 c	435-828-3630
Construction	EOG	Jerry Barnes	435-828-1720 c	435-789-0271 h
Materials	EOG	Tom Heydt	307-276-4855	307-260-7127
		Kenny Stewart	435-828-6080 c	
Wellhead	FMC	Rex Stewart	435-789-1003 o	
Cement	Schlumberger	Vernal Office	435-789-0411	
Mud	EOG	Gerald Ashcroft	435-828-7445 c	
Materials	EOG	Tom Heydt	307-276-4855	307-260-7127
OH Logging	Schlumberger	Vernal Office	435-789-3394	
	Hunting / Smith	Bud Perry	435-789-3086	435-828-5034
Mud Motors				
Bits	HTC	Tim Cooley	435-828-3419	
Bits	Reed/Hycalog	Brock Pope	435-828-8172 c	435-789-1833 o
Bits - impreg	Smith	Bud Perry	435-789-3086	435-828-5034
Mud Logger	Mud Logic	Charles Davis	435-650-5472	

**CASING/CEMENT**

Size	Length	Weight	Grade	Conn	Burst	Collapse	Tensile		Cost
							Conn.	Body	
13-3/8"	500'	48#	H-40	STC	1730	770	260	338	\$32.00 /ft
9-5/8"	3800'	43.5#	HCP-110	LTC	8700	5600	1106	1381	\$44.00 / ft
4-1/2"	11500'	11.6#	HCP-110	LTC	10690	8650	279	367	\$11.00 / ft

Size	Weight	Grade	Conn.	ID	Drift	OD	Make up Torque		
							Min	Opt	Max
13 3/8"	48#	H-40	STC	12.715	12.559	14.375	2420	3220	4030
9 5/8"	43.5#	HCP-110	LTC	8.755	8.599	10.625	8300	11060	13830
4 1/2"	11.6	HCP-110	LTC	4.000	3.875	5.000	2270	3020	3780

NOTE: Correction factor for dope has **NOT** been applied to make up torque values.

**9 5/8" Intermediate Cement**

**LEAD** 0' – 2800' (excess 60% over caliper)  
**Class 'G' cement + 5% D44 (Salt) + 12% D20 (Bentonite) + 1% D79% (Extender) + 0.25% D112 (Fluid Loss Additive) + 0.2% D46 (Anti-Foamer) + 0.25 pps D29 (Cellophane flakes)**  
 11.0ppg, 3.91 cuft/sx, 24.5 gal/sx freshwater

**TAIL** 2800' – 3800' (excess 60% over caliper)  
**Class 'G' cement + 10% D53 (Gypsum) + 1% S1 (CaCl2) + 0.25 pps D29 (Cellophane flakes) mixed**  
 14.1ppg, 1.61 cuft/sx, 7.90 gal/sx freshwater

**DISPLACEMENT:** Freshwater

**4 1/2" Production Cement**

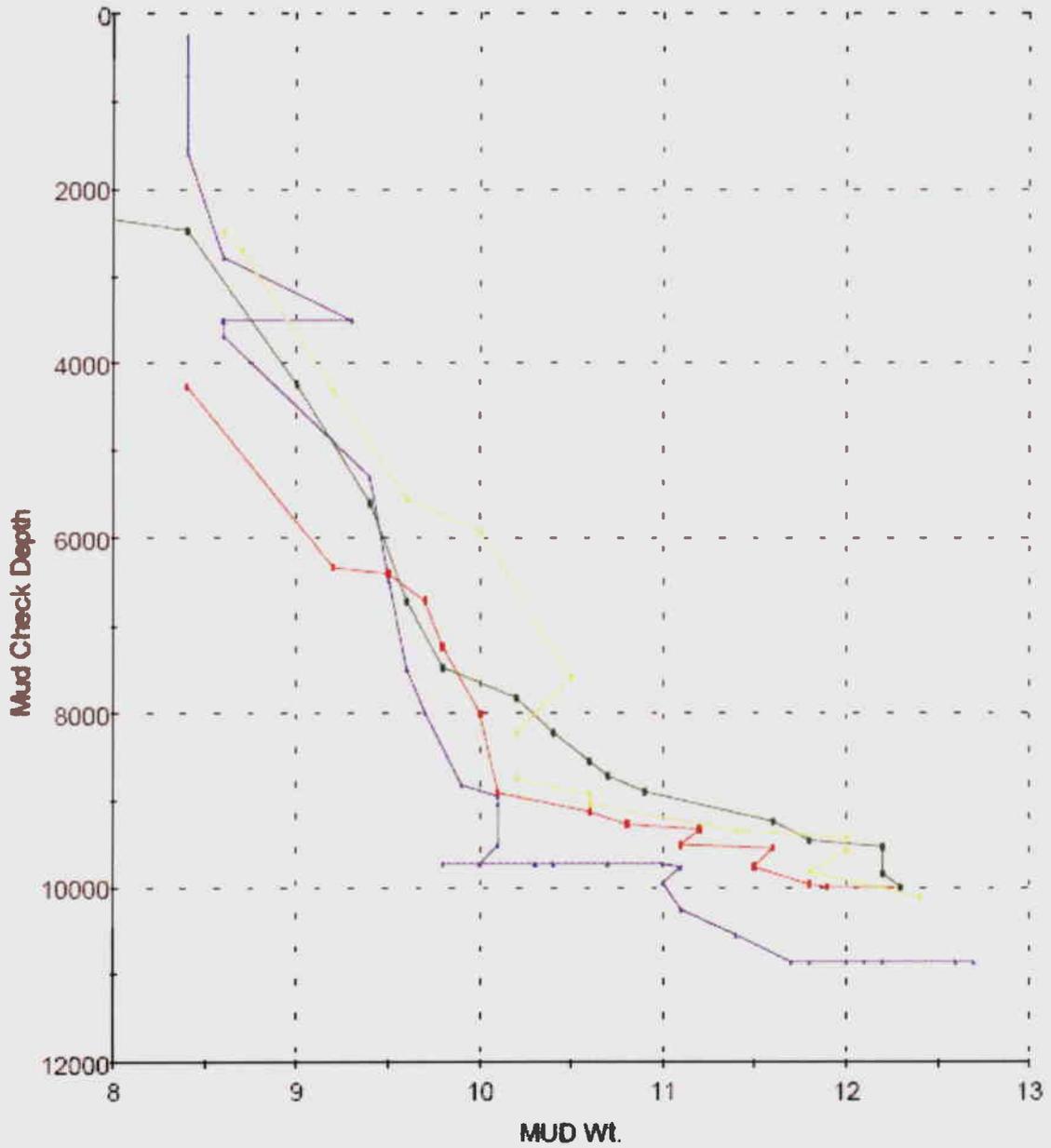
**LEAD** 3400' - 400' above top productive interval (excess 10% over caliper)  
**35:65 Poz:G + 4% D20 (Bentonite) + 2.0% D174 (extender) + 0.2% D46 (Anti-foamer) + 0.75% D112 (Fluid Loss) + 0.2% D13 (Retarder) + 0.25 pps D29 (cellophane flakes)**  
 13.0ppg, 1.75 cuft/sx, 9.19 gal/sx freshwater

**TAIL** 400' above top productive interval – TD (11,500') (excess 10% over caliper)  
**50:50 Poz:G + 2% D20 (Bentonite) + 0.1% D46 (Antifoamer) + 0.15% D13 (Retarder) + 0.2% D167 (Fluid Loss Additive) + 0.2% D65 (Dispersant)**  
 14.1 ppg, 1.29 cu. ft./sk., 5.96 gps water

**DISPLACEMENT:** Freshwater + 2 gal/1000 L064

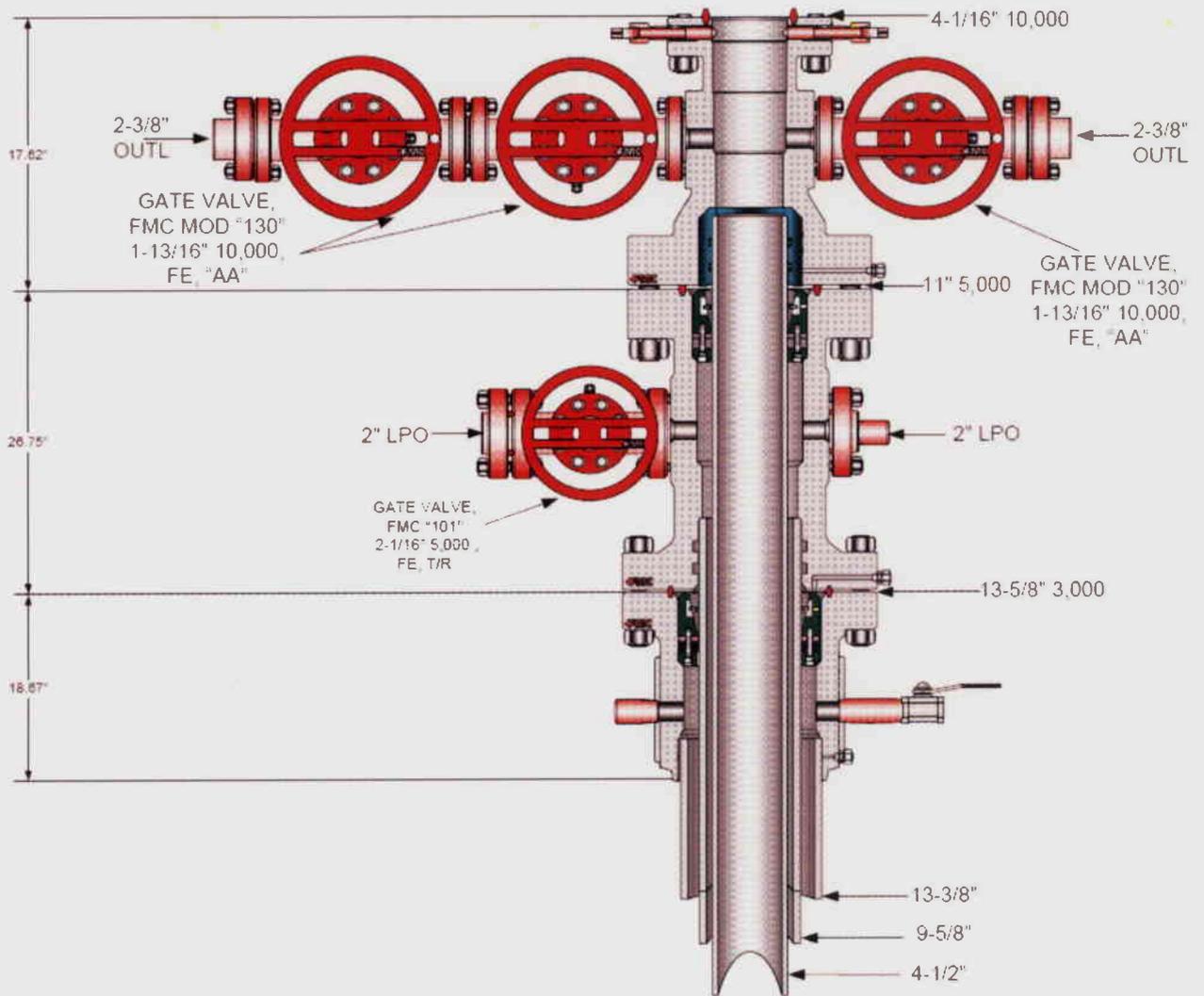
Wells drilled this year: WHF wells 2-3 miles to SE, Alger Pass well 4 miles to SW

### Mud WT. Vs Mud Check Depth

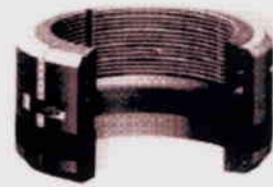
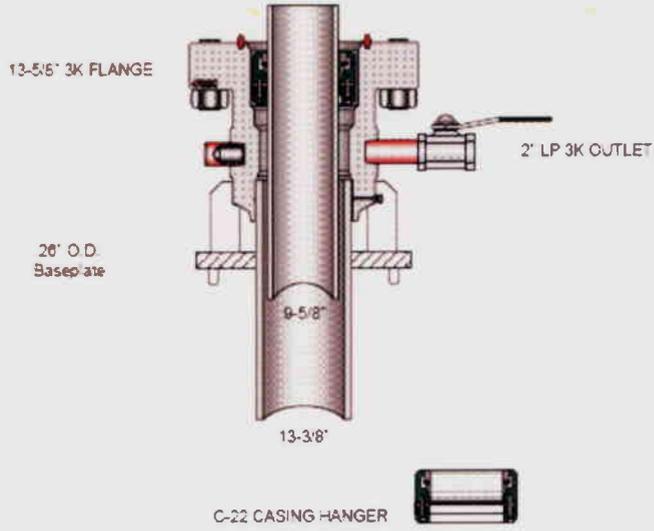


- ALGER PASS 8-17
- WHF 100-35
- WHF 120-34
- WHF 121-34

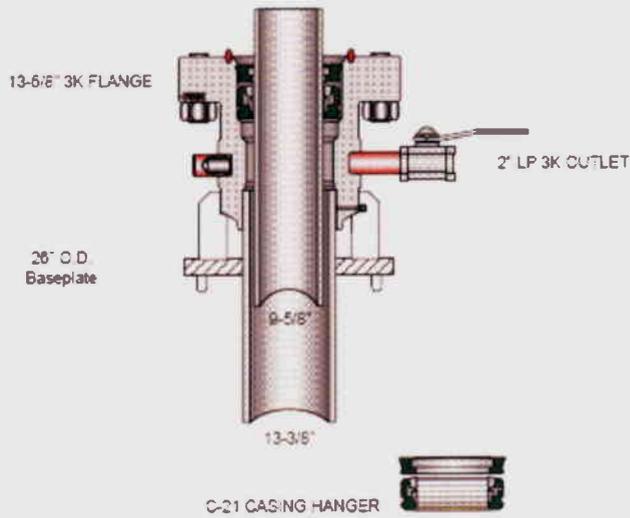
Old Squaw Crossing Unit 123-27



Old Squaw Crossing Unit 123-27



C22 Hanger/Slips



C21 "H" seal and slips

**From:** <Mary\_Maestas@eogresources.com>  
**To:** "Diana Whitney" <DIANAWHITNEY@utah.gov>  
**Date:** 10/12/2006 4:41:33 PM  
**Subject:** Re: Sundries

My apologies about these sundries, Diana. Kaylene and I were in a rush to get these submitted and we forgot to detail the information in the sundry.

On all referenced wells, EOG is changing the depth of the 12-1/4" casing string from 500' to 2300'.

Sorry for the confusion. Unfortunately, I just sent some yesterday that are going to have the same problems. Let me know when you get those and I can check on what's changed for you on them as well.

Thanks,  
Mary Maestas

"Diana Whitney"  
<DIANAWHITNEY@utah.gov>  
10/12/2006 04:07 PM  
To  
<mary\_maestas@eogresources.com>  
cc  
<Kaylene\_Gardner@eogresources.com>  
Subject  
Sundries

Hi Mary,

On these sundries that you sent in, I'm not sure what exactly EOG wants to change. Will you let me know.

They are for the CWU 681-28, 685-29, 682-30, 684-1 3000-12GR and 695-32.

Thank you,  
Diana

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator    **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2145' FNL & 1902' FEL (SW/NE)  
 Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON**

5. Lease Serial No.  
**U-49518**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**Old Squaws Crossing Unit II**

8. Well Name and No.  
**Old Squaws Crossing Unit II 123-27**

9. API Well No.  
**43-047-36743**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Wastach/MV**

11. County or Parish, State  
**Uintah County, UT**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

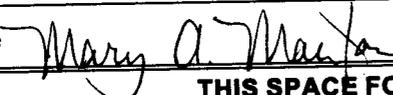
**The referenced well was turned to sales 1/25/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.**

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature



Date

**01/25/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

(Instructions on page 2)

**JAN 29 2007**

**DIV. OF OIL, GAS & MINING**

## WELL CHRONOLOGY REPORT

Report Generated On: 01-25-2007

<b>Well Name</b>	OSCU II 123-27	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	OLD SQUAW'S CROSSING	<b>API #</b>	43-047-36743	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	10-14-2006	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	11,500/ 11,500	<b>Property #</b>	056110
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,283/ 5,264				
<b>Location</b>	Section 27, T10S, R19E, SWNE, 2145 FNL & 1902 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	87.5

<b>AFE No</b>	303287	<b>AFE Total</b>	2,896,200	<b>DHC / CWC</b>	1,564,300/ 1,331,900
<b>Rig Contr</b>	PIONEER	<b>Rig Name</b>	PIONEER #59	<b>Start Date</b>	05-24-2005
				<b>Release Date</b>	11-18-2006
<b>05-24-2005</b>	<b>Reported By</b>	ED TROTTER			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
				<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA: 2145' FNL & 1902' FEL (SW/NE) SECTION 27, T10S, R19E UINTAH COUNTY, UTAH
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LAT 39.919617, LONG 109.764892 ( NAD 27)

RIG: PIONEER #59

OBJECTIVE: 11,500' TD, MESAVERDE PRICE RIVER

DW/GAS

OLD SQUAWS CROSSING PROSPECT

DD&A: CHAPITA DEEP

NATURAL BUTTES FIELD

LEASE: U-49518

ELEVATION: 5263.3' NAT GL, 5263.9' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5264'), 5283' KB (19')

EOG WI 100%, NRI 87.5%

<b>09-05-2006</b>	<b>Reported By</b>	ED TROTTER
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<b>Daily Costs: Drilling</b>	\$60,769	<b>Completion</b>	\$0	<b>Daily Total</b>	\$60,769
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**Cum Costs: Drilling** \$60,769 **Completion** \$0 **Well Total** \$60,769  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 BEGAN CONSTRUCTION OF LOCATION; 30% COMPLETE.

**09-06-2006 Reported By ED TROTTER**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$60,769 **Completion** \$0 **Well Total** \$60,769  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION IS 40% COMPLETE.

**09-07-2006 Reported By ED TROTTER**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$60,769 **Completion** \$0 **Well Total** \$60,769  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION IS 50% COMPLETE.

**09-08-2006 Reported By ED TROTTER**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$60,769 **Completion** \$0 **Well Total** \$60,769  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION IS 60% COMPLETE.

**09-11-2006 Reported By ED TROTTER**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$60,769 **Completion** \$0 **Well Total** \$60,769  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION IS 70% COMPLETE.

**09-12-2006 Reported By ED TROTTER**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$60,769 Completion \$0 Well Total \$60,769  
 MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 80% COMPLETE.

09-13-2006 Reported By TERRY CSERE

DailyCosts: Drilling \$1,260 Completion \$0 Daily Total \$1,260  
 Cum Costs: Drilling \$62,029 Completion \$0 Well Total \$62,029  
 MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 90% COMPLETE, PAD DONE. PUSHING OUT PIT.

09-14-2006 Reported By TERRY CSERE

DailyCosts: Drilling \$2,310 Completion \$0 Daily Total \$2,310  
 Cum Costs: Drilling \$64,339 Completion \$0 Well Total \$64,339  
 MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 100% COMPLETE. BUCKET RIG.

09-15-2006 Reported By TERRY CSERE / DALL COOK

DailyCosts: Drilling \$2,310 Completion \$0 Daily Total \$2,310  
 Cum Costs: Drilling \$66,649 Completion \$0 Well Total \$66,649  
 MD 40 TVD 40 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO AIR RIG

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION COMPLETE. BUCKET RIG OFF. PIT BEING LINED 9/15/2006.  
 ROCKY MOUNTAIN DRILLING SPUD A 30" HOLE ON 9/13/2006 @ 3:00 PM. SET 40' OF 20" CONDUCTOR,  
 CEMENT TO SURFACE WITH READY MIX. DALL COOK NOTIFIED DONNA KINNEY - BLM AND CAROL  
 DANIELS - UDOGM OF THE SPUD 9/13/2006 @ 2:30 PM.

09-18-2006 Reported By TERRY CSERE

DailyCosts: Drilling \$1,260 Completion \$0 Daily Total \$1,260  
 Cum Costs: Drilling \$67,909 Completion \$0 Well Total \$67,909  
 MD 40 TVD 40 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO AIR RIG

Start End Hrs Activity Description  
 06:00 06:00 24.0 AIR RIG SETTING SURFACE PIPE.

09-20-2006 Reported By JOHN HELCO

Daily Costs: Drilling \$114,251 Completion \$0 Daily Total \$114,251

Cum Costs: Drilling \$182,160 Completion \$0 Well Total \$182,160

MD 534 TVD 534 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 9/18/2006. DRILLED 17 1/2' HOLE TO 515' GL. RAN 12 JTS (516.80') OF 13.3/8", 48#/FT. H-40, 8 RD ST&C CASING WITH WEATHERFORD GUIDE SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 535.80' KB. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 165 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 500 SX (102.4 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS.

DISPLACED CEMENT W/74.1 BBLs FRESH WATER. BUMPED PLUG W/500# @ 11:33 PM, 9/18/2006. CHECKED FLOAT, DID NOT HOLD. SHUT IN CASING VALVE. BROKE CIRCULATION 1 BBL INTO DISPLACEMENT. CIRCULATED 30 BBLs OF LEAD CEMENT TO PIT. CEMENT STAYED AT SURFACE WHEN PLUG BUMPED.

R.D. BIG 4 CEMENTERS.

PREPARED LOCATION FOR RAOTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

JERRY BARNES LEFT MESSAGE FOR DONNA KINNEY W/BLM OF THE SURFACE CASING &amp; CEMENT JOB ON 9/18/2006 @ 10:15 AM.

10-09-2006 Reported By RICHARD STRONG

Daily Costs: Drilling \$22,062 Completion \$0 Daily Total \$22,062

Cum Costs: Drilling \$204,222 Completion \$0 Well Total \$204,222

MD 534 TVD 534 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RD PREP TO MOVE FROM WHF 121-34 TO OSCU II 123-27

Start End Hrs Activity Description

18:00 06:00 12.0 RD FRONT YARD, BACK YARD, V-DOOR, FLOW LINES, GAS BUSTER, TRIP TANK, PUMPS, KOOMEY UNIT BOILER, WATER PUMPS, FLOOR. PREP TO SCOPE DOWN DERRICK & FLOOR.

WEST ROC TRUCKING SCHEDULED TO BE ON LOCATION @ 07:00 HRS, 10/09/06 TO MOVE RIG 3.5 MILES TO OSCU II 123-27 LOCATION

CREWS FULL

ACCIDENTS REPORTED NONE

TRANSFERRED TO OSCU II-123-27-AFE # 303287:

7 JTS 4.5", 11.6#, HC P-110, LTC CASING (292.6')

1 PUP MKR JTS 4.5", 11.6#, HC P-110, LTC CASING (21.53')

5464 GALS RED DYED DIESEL @ \$2.488/GAL (\$13,594)

10-10-2006 Reported By RICHARD STRONG

**Daily Costs: Drilling** \$19,404      **Completion** \$0      **Daily Total** \$19,404  
**Cum Costs: Drilling** \$223,626      **Completion** \$0      **Well Total** \$223,626  
**MD** 534    **TVD** 534    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** SDFN AFTER SPOT RIG AROUND LOCATION.

Start	End	Hrs	Activity Description
06:00	18:00	12.0	PJSM W/RIG & WEST ROC TRUCKING CREW. MOVE ALL OF RIG EXCEPT 3 LOADS TO NEW LOCATION & SPOT SOME LOADS ON OSCU 114-27. AREA AROUND CELLAR VERY SOFT & UNLEVEL, HIGH ON DRILLERS SIDE. BROUGHT IN MOTOR GRADER TO LEVEL LOCATION & FRONT TIRE ON GRADER SUNK ALMOST OUT OF SIGHT ON DRILLERS SIDE OF CELLAR. DECISION TO DIG SOFT MATERIAL OUT IN A TEE PATTERN & PACK SUB BASE & CARRIER MUD BOAT AREA W/ROCK TO PROVIDE A STABLE AREA FOR THE RIG TO SET ON. NOTE: PITS, PUMPS & SUB BASE WERE ON LOCATION & READY TO BE SPOTTED @ 11: 30 AM.
18:00	06:00	12.0	SDFN. SEVERE WEATHER RAIN STORMS PREVENTED US FROM WORKING TO REMODEL THE DERRICK BOARD.

OURAY CONSTRUCTION HAS BLADE & PACKER ON LOCATION & HAS TRUCKS LINED UP TO HAUL IN 8 LOADS OF PIT RUN ROCK TO FILL THE SOFT AREAS OF LOCATION.

WEST ROC TRUCKING SCHEDULED TO BE ON LOCATION TO SPOT RIG UP AFTER REPAIRS ON LOCATION.

TRANSFERRED TO OSCU II-123-27 AFE #303287:  
 7 JTS 4.5", 11.6#, HC P-110 LTC CASING (292.6')  
 1 PUP MKR JTS 4.5", 11.6#, HC P-110 LTC CASING (21.53')  
 5464 GALS RED DYED DIESEL @ \$2.488 /GAL (\$13,594)

CREWS 1 FULL  
 ACCIDENTS REPORTED NONE

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**10-11-2006**      **Reported By**      RICHARD STRONG

**Daily Costs: Drilling** \$19,404      **Completion** \$0      **Daily Total** \$19,404  
**Cum Costs: Drilling** \$243,030      **Completion** \$0      **Well Total** \$243,030  
**MD** 534    **TVD** 534    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** SDFN AFTER PREP LOC TO SUPPORT RIG

Start	End	Hrs	Activity Description
06:00	18:00	12.0	PJSM W/RIG CREW. DIG OUT SOFT MUD ON PIT SIDE OF LOCATION WHERE SUB BASE & MUD PITS SET TO 20" DEEP & ON OFF PIT SIDE OF CELLAR TO 12" DEEP X 40' ACROSS & AREA THAT SUPPORTS THE CARRIER MUD BOAT. FILL & PACK THESE AREAS W/HAULED PIT RUN ROCK USING CAT & MAINTAINER GRADER. WELDER MADE SOME REPAIRS ON HAND RAILS & OTHER THINGS ON SUB.
18:00	06:00	12.0	SDFN. WILL HAVE WEST ROC TRUCKING ON LOCATION @ 07:00 HRS, 10/11/06 TO SPOT & RIG UP RIG.

CREWS 2 FULL  
 NO ACCIDENTS REPORTED

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**10-12-2006**      **Reported By**      RICHARD STRONG

**Daily Costs: Drilling** \$25,645      **Completion** \$0      **Daily Total** \$25,645  
**Cum Costs: Drilling** \$268,675      **Completion** \$0      **Well Total** \$268,675

MD 534 TVD 534 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG UP RIG

Start	End	Hrs	Activity Description
06:00	18:00	12.0	PJSM W/RIG & WEST ROC TRUCKING CREWS. SPOT UP ALL RIG COMPONENTS W/TRUCKS. SCOPE UP SUB. DERRICK RAISED TO HALF MAST @ 1630 HRS, DERRICK SCOPED TO FULL MAST @ 1800 HRS. ALL WEST ROC TRUCKS OFF LOCATION BY 18:30 HRS. BROKE TOWER @ 18:00 HRS.
18:00	06:00	12.0	RU WATER LINES, ELECTRIC LINES, AIR LINES. REPAIRED ELECTRIC LINES TO DERRICK LIGHTS. RU STAIRS, WIND WALLS. CUT 150' DRILL LINE. RELEVEL DERRICK TO GET BLOCKS OVER THE HOLE. RU PUMP LINES. RIG & COMPONENTS 100% ON LOCATION & 80% RIGGED UP.

5148 GALS FUEL ON HAND, USED 316 GALS

BOP DRILL N/A

NO ACCIDENT

CREWS FULL

SAFETY MEETING: MOVING & RU RIG

10-13-2006 Reported By RICHARD STRONG

Daily Costs: Drilling	\$31,137	Completion	\$0	Daily Total	\$31,137
Cum Costs: Drilling	\$299,812	Completion	\$0	Well Total	\$299,812

MD 534 TVD 534 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP TO PU BHA

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RU PASON. REPAIR WATER PUMPS. INSTALL VEE DOOR ON CAT WALK. HOOK UP ROTARY TABLE DRIVE LINES. RU FLOOR. INSTALL DRILL LINE ROLLER GUIDES. RU GAS BUSTER & START LAY FLARE LINES. RECEIVED MUD PRODUCTS FROM LAST WELL & NEW LOAD OF WATE MAT & LCM. MUD LOGIC ON LOCATION. RU GAS DETECTION SYSTEM.
18:00	23:00	5.0	NU 16" X 13 5/8" RISER, ROTATING HEAD & FLOW LINE.
23:00	06:00	7.0	PU SWIVEL. MU KELLY VALVES, KELLY BUSHING & INSTALL KELLY SPINNER. REATTACH KELLY SPINNER OPERATING LINES TO KELLY HOSE. CONT TOP. RU ROTARY TONGS ON FLOOR. REALIGN CAT WALK TO VEE DOOR. MUDLOGIC ON LOC START RU 06:00 HRS, 10/12/2006. START DAY WORK @ 00:00 HRS, 10/13/2006

4910 GALS FUEL ON HAND, USED 238 GALS

BOP DRILL N/A

NO ACCIDENT

CREWS FULL

SAFETY MEETING: RU RIG

NOTIFIED STATE OF UTAH @ 07:45 AM, 10/10/2006. TALKED TO CAROL DANIELS NOTIFIED HER OF OUR INTENT TO SPUD/DRILL OUT SURFACE ON 10/12/2006.

NOTIFIED VERNAL OFFICE OF BLM @ 07:55 AM. LEFT MESSAGE ON MATT BAKERS OFFICE & CELL PHONE VOICE MAIL OF OUR INTENT TO SPUD/DRILL OUT SURFACE ON 10/12/2006.

10-14-2006 Reported By RICHARD STRONG

Daily Costs: Drilling	\$88,611	Completion	\$0	Daily Total	\$88,611
Cum Costs: Drilling	\$388,423	Completion	\$0	Well Total	\$388,423

MD 534 TVD 534 Progress 148 Days 1 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RUN WL SURVEY

Start	End	Hrs	Activity Description
06:00	09:30	3.5	LAY OUT, MEASURE & TALLY BHA.
09:30	10:00	0.5	INSTALL WEAR BUSHING IN 13 5/8" "A" SECTION HEAD. PU BIT #1 (HTS-606Z- SN# 7500809), 9.625" OD MUD MTR, 12.125" OD ROLLER REAMER, 1- 9" DC, 3- 8" DCS, XO TO 6" DCS.
10:00	14:30	4.5	PU BIT #1 (HTS-606Z- SN# 7105686), 9.625" OD MUD MTR, 12.125" OD ROLLER REAMER, 1- 9" DC, 3- 8" DCS, XO TO 6" DCS. FINISH PU 8- 6.25" OD DCS. TAG CEMENT @ 435' IN 13 3/8" CSG.
14:30	15:30	1.0	RU 3 STATION H2S GAS MONITORING SYSTEM UNDER FLOOR & ON SHAKER POSSUM BELLY.
15:30	18:00	2.5	FINISH PU BHA & TAG CEMENT @ 470'. LD JT & PU KELLY.
18:00	22:00	4.0	CIRC/CONDITION MUD. BUILD VOLUME IN PITS & VIS UP TO 32 SEC QT. FUNCTION TESTED BOTH PUMPS. REPAIR STROKE COUNTER.
22:00	00:00	2.0	DRILL CEMENT/FLOAT EQUIPMENT FROM 470' TO 524' DP MEAS.
00:00	02:30	2.5	DRILL NEW FORMATION FROM 534' TO 620', 86', PUMPING 530 GPM, 37 RPM MOTOR, 45 RPM ROTARY, 5K-15K WOB.
02:30	04:00	1.5	SET KELLY BACK. LD 4 JTS DP. PU 2-6 1/4" DCS & 1 SWDP. KELLY BACK UP & MAKE CONNECTION.
04:00	05:00	1.0	DRILL NEW FORMATION FROM 620' TO 682', 62' @ 62 FPH, PUMPING 530 GPM, 37 RPM MOTOR, 45 RPM ROTARY, 5K-15K WOB.
05:00	05:30	0.5	CIRC CLEAN. PREP TO WL SURVEY.
05:30	06:00	0.5	WL SURVEY @ 597', 1.5 DEGREES.

BOP DRILL N/A  
 NO ACCIDENT  
 CREWS FULL  
 SAFETY MEETING: PU LARGE OD BHA  
 FUEL ON HAND 4514 GAL, FUEL USED 396 GAL

MUD WT IN 8.4 VIS 32  
 SPR # 1 PUMP 116 PSI @ 67 SPM  
 SPR # 2 PUMP 95 PSI @ 66 SPM  
 PU WT 81K, ROT WT 63K, SO WT 80K

LITHOLOGY: SH 55%, SS 40%, LS 5%  
 BG 100U, CONN 120U, HIGH GAS 111U @ 606'

06:00 18.0 SPUD 12 1/4" HOLE 00:00 HRS, 10/14/06.

10-15-2006	Reported By	RICHARD STRONG	
Daily Costs: Drilling	\$40,715	Completion	\$0
Cum Costs: Drilling	\$429,138	Completion	\$0
Daily Total	\$40,715	Well Total	\$429,138

MD 1,740 TVD 1,740 Progress 1,058 Days 2 MW 8.4 Visc 28.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL NEW FORMATION FROM 682' TO 1044', 362' @ 51.7 FPH, PUMPING 580 GPM, 40 RPM MOTOR, 45/60 RPM ROTARY, 10K-18K WOB.

13:00 13:30 0.5 CLEAN SUCTION SCREENS ON BOTH MUD PUMPS WHILE CIRC W/ONE PUMP. SCREENS PLUGGED FROM LCM.  
 13:30 16:00 2.5 DRILL NEW FORMATION FROM 1044' TO 1144', 100' @ 40 FPH, PUMPING 580 GPM, 40 RPM MOTOR, 45/60 RPM ROTARY, 10K-18K WOB.  
 16:00 16:30 0.5 LUBE RIG, GREASE CROWN-O-MATIC & BLOCKS.  
 16:30 17:00 0.5 WL DEVIATION SURVEY @ 1056, 1.5 DEGREES.  
 17:00 18:00 1.0 DRILL NEW FORMATION FROM 1144' TO 1203', 59' @ 59 FPH, PUMPING 580 GPM, 40 RPM MOTOR, 45/60 RPM ROTARY, 10K-18K WOB.  
 18:00 03:30 9.5 DRILL NEW FORMATION FROM 1203' TO 1677', 474' @ 49.8 FPH, PUMPING 580 GPM, 40 RPM MOTOR, 45/60 RPM ROTARY, 10K-18K WOB. PUMPING 20 PPB LCM SWEEPS TO CONTROL SEEPAGE LOSS TO HOLE.  
 03:30 04:00 0.5 WL SURVEY @ 1589', 0.5 DEGREE.  
 04:00 06:00 2.0 DRILL NEW FORMATION FROM 1677' TO 1740', 63' @ 31.5 FPH, PUMPING 580 GPM, 40 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. PUMPING 20 PPB LCM SWEEPS TO CONTROL SEEPAGE LOSS TO HOLE. RUNNING DESANDER & ADDING WATER TO KEEP MUD WT LOW.

BOP DRILL N/A  
 NO ACCIDENT  
 CREWS FULL  
 SAFETY MEETING: HANDLING HEAVY LOADS/COOPERATION & COMMUNICATION  
 FUEL ON HAND 3405 GALS, FUEL USED 1109 GALS

MUD WT IN 8.5 VIS 31  
 SPR # 1 PUMP 195 PSI @ 65 SPM  
 SPR # 2 PUMP 170 PSI @ 65 SPM  
 PU WT 81K, ROT WT 63K, SO WT 80K

LITHOLOGY: SH 70%, SS 20%, LS 5%  
 BG 400U, CONN 750U, HIGH GAS 1013U @ 877'

<b>10-16-2006</b>		<b>Reported By</b>		<b>RICHARD STRONG</b>							
<b>DailyCosts: Drilling</b>	\$38,339	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,339						
<b>Cum Costs: Drilling</b>	\$467,477	<b>Completion</b>	\$0	<b>Well Total</b>	\$467,477						
<b>MD</b>	2,580	<b>TVD</b>	2,580	<b>Progress</b>	840	<b>Days</b>	3	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL NEW FORMATION FROM 1740' TO 1994', 254' @ 39 FPH, PUMPING 580 /640 GPM, 40/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. RUNNING DESANDER & ADDING WATER TO KEEP MUD WT LOW.
12:30	13:00	0.5	LUBE RIG. GREASE CROWN-O-MATIC, BLOCKS & SWIVEL.
13:00	15:00	2.0	RIG REPAIR, REPLACE LINER & SWAB IN #2 PUMP. R&R & CIRC W/ONE PUMP WHILE REPAIRING #2 PUMP.
15:00	18:00	3.0	DRILL NEW FORMATION FROM 1994' TO 2120', 126' @ 42 FPH, PUMPING 600 /670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. RUNNING DESANDER & ADDING WATER TO KEEP MUD WT LOW.
18:00	18:30	0.5	WL SURVEY @ 2030', 2 DEGREES.
18:30	00:00	5.5	DRILL NEW FORMATION FROM 2120' TO 2374', 254' @ 42.3 FPH, PUMPING 600/670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB.
00:00	06:00	6.0	DRILL NEW FORMATION FROM 2374' TO 2580', 206' @ 34.32 FPH, PUMPING 600 /670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. RUNNING DESANDER & ADDING WATER TO MAINTAIN LOW MUD WT.

BOP DRILL N/A  
 NO ACCIDENT  
 CREWS FULL  
 SAFETY MEETINGS: COLD-MUDDY-SLICK/WORK ENVIRONMENT/WL SURVEYS

FUEL ON HAND 2217 GAL  
 FUEL USED 1188 GAL  
 NO BOILER HOURS

MUD WT IN 8.8 VIS 31  
 SPR # 1 PUMP 195 PSI @ 65 SPM  
 SPR # 2 PUMP 175 PSI @ 65 SPM  
 PU WT 127K, ROT WT 125K, SO WT 123K

LITHOLOGY: SH 60%, SS 20%, LS 20%  
 BG 800U, CONN 1200U, HIGH GAS 2962U @ 2202'

<b>10-17-2006</b>	<b>Reported By</b>	RICHARD STRONG									
<b>Daily Costs: Drilling</b>	\$59,899	<b>Completion</b>	\$0	<b>Daily Total</b>	\$59,899						
<b>Cum Costs: Drilling</b>	\$527,376	<b>Completion</b>	\$0	<b>Well Total</b>	\$527,376						
<b>MD</b>	3.228	<b>TVD</b>	3.228	<b>Progress</b>	648	<b>Days</b>	4	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL NEW FORMATION FROM 2580' TO 2627', 47' @ 47 FPH, PUMPING 600 /670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. RUNNING DESANDER & ADDING WATER TO MAINTAIN LOW MUD WT.
07:00	07:30	0.5	WL SURVEY @ 2537', 1 DEGREE.
07:30	09:30	2.0	DRILL NEW FORMATION FROM 2627' TO 2714', 87' @ 43.5 FPH, PUMPING 600 /670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. LOST #2 PUMP.
09:30	10:30	1.0	CHANGE SWAB ON #2 PUMP. RIG REPAIR JSA.
10:30	11:00	0.5	DRILL NEW FORMATION FROM 2714' TO 2730', 16' @ 32 FPH, PUMPING 600/670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB. LOST #2 PUMP.
11:00	17:30	6.5	TEAR DOWN # 2 PUMP, LINER WASHED OUT INTO MODULE, NO REPLACEMENT ON LOCATION. PIONEER DECISION TO WELD MODULE FACE. ORDER WELDER, WELD & GRIND MODULE FACE SMOOTH. PUT PUMP BACK TOGETHER & TEST.
17:30	23:30	6.0	DRILL NEW FORMATION FROM 2730' TO 2980', 250' @ 41.66 FPH, PUMPING 600 /670 GPM, 42/45 RPM MOTOR, 45/60 RPM ROTARY, 15K-20K WOB.
23:30	00:00	0.5	REPAIR PUMP #1, REPLACE SWAB.
00:00	03:00	3.0	DRILL NEW FORMATION FROM 2980' TO 3102', 122' @ 40.66 FPH, PUMPING 600 /670 GPM, 42/46 RPM MOTOR, 45/60 RPM ROTARY, 15K-25K WOB.
03:00	03:30	0.5	WL SURVEY @ 3012', 2 DEGREES.
03:30	06:00	2.5	DRILL NEW FORMATION FROM 3102' TO 3228', 126' @ 50.4 FPH, PUMPING 600 /670 GPM, 42/46 RPM MOTOR, 45/60 RPM ROTARY, 15K-25K WOB.

BOP DRILL N/A  
 NO ACCIDENT  
 CREWS FULL  
 SAFETY MEETINGS: HORSEPLAY HAZARDS/MIXING MUD

FUEL ON HAND 7603 GAL  
 FUEL USED 1814 GAL  
 NO BOILER HOURS. RECEIVED 7200 GALS FUEL @ RIG & 800 GAL @ CAMPS

MUD WT IN 9.1 VIS 32  
 SPR # 1 PUMP 180 PSI @ 60 SPM  
 SPR # 2 PUMP 210 PSI @ 62 SPM

PU WT 130K, ROT WT 130K, SO WT 130K

LITHOLOGY SH 65%, SS 15%, LS 20%  
 BG 250U, CONN 300U, HIGH GAS 378U @ 3018'

<b>10-18-2006</b>	<b>Reported By</b>	<b>STRONG/DITTO</b>									
<b>Daily Costs: Drilling</b>	\$38,307	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,307						
<b>Cum Costs: Drilling</b>	\$565,684	<b>Completion</b>	\$0	<b>Well Total</b>	\$565,684						
<b>MD</b>	3.800	<b>TVD</b>	3.800	<b>Progress</b>	572	<b>Days</b>	5	<b>MW</b>	9.2	<b>Visc</b>	36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: WIPER TRIP - RUN INTER CASING</b>											

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL NEW FORMATION FROM 3228' TO 3416', 188' @ 31.4 FPH, PUMPING 600/670 GPM, 42/46 RPM MOTOR, 45/60 RPM ROTARY, 15K-25K WOB.
12:00	12:30	0.5	CHANGE SWAB IN #1 PUMP.
12:30	13:30	1.0	DRILL NEW FORMATION FROM 3416' TO 3450', 34' @ 34' FPH, PUMPING 600/670 GPM, 42/46 RPM MOTOR, 45/60 RPM ROTARY, 15K-25K WOB.
13:30	14:30	1.0	CIRC CLEAN . WL SURVEY @ 3360', 2 DEGREES.
14:30	15:30	1.0	DRILL NEW FORMATION FROM 3450' TO 3481', 31' @ 31' FPH, PUMPING 600/670 GPM, 42/46 RPM MOTOR, 45/60 RPM ROTARY, 15K-25K WOB.
15:30	16:00	0.5	RIG SERVICE, REPAIR PUMP #1.
16:00	01:00	9.0	DRILL NEW FORMATION FROM 3481' TO 3800", 319' @ 35' FPH, PUMPING 600/670 GPM, 42/46 RPM MOTOR, 45/60 RPM ROTARY.20K-30K WOB, MUD WT 9.4 PPG WITH 32 VISCOSITY.
01:00	02:30	1.5	CIRCULATE VISCOUS SWEEP. BUILD SLUG. PREP FOR WIPER TRIP.
02:30	06:00	3.5	WIPER TRIP TO 13 3/8" SHOE. NOW TRIPPING BACK TO BTM.

SAFETY MEETING: PROPER USE OF RESPIRATORS/TRIPPING PIPE  
 NO ACCIDENTS OR INCIDENTS REPORTED  
 FULL CREWS  
 TP INSPECTED BRAKE LINKAGE AND COM TOURLY  
 FUEL 6019 GALS, USED 1584 GALS  
 BOILER 12 HRS

<b>10-19-2006</b>	<b>Reported By</b>	<b>RICK DITTO</b>									
<b>Daily Costs: Drilling</b>	\$72,660	<b>Completion</b>	\$0	<b>Daily Total</b>	\$72,660						
<b>Cum Costs: Drilling</b>	\$638,344	<b>Completion</b>	\$0	<b>Well Total</b>	\$638,344						
<b>MD</b>	3.810	<b>TVD</b>	3.810	<b>Progress</b>	10	<b>Days</b>	6	<b>MW</b>	9.7	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: NIPPLE DOWN DIVERTER**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	WIPER TRIP. TRIP BACK TO BTM.
07:30	08:00	0.5	FILL DRILL PIPE. WASH TO BTM, NO FILL.
08:00	08:30	0.5	DRILL FROM 3800' TO 3810', HOLE TO FIT CASING.
08:30	09:30	1.0	CIRC BTMS UP.
09:30	15:00	5.5	TOH FOR CASING. LAYDOWN (5) 6.25" DRILL COLLARS, (3) 8" DRILL COLLARS, (1) 9" DRILL COLLAR, REAMER AND MUD MOTOR.
15:00	15:30	0.5	PULL WEAR BUSHING. SAFETY MEETING WITH ALL RIG PERSONNEL AND FRANK'S WESTATES CASING PERSONNEL.
15:30	17:00	1.5	RIG UP PICK UP MACHINE AND CASING RUNNING TOOLS.
17:00	23:00	6.0	RUN 87 JTS OF 9.625", HC P-110, 43.5#, LTC INTERMEDIATE CASING (OVERALL LENGTH 3804.36'). FLOAT SHOE @ 3800'. FLOAT COLLAR @ 3757'. USED 19 BOW SPRING CENTRALIZERS.
23:00	01:30	2.5	RIG UP CIRC WITH RIG PUMP (HAD TO WASH 10' OF FILL). RIG DOWN CASING TOOLS. SAFETY MEETING WITH ALL RIG PERSONNEL AND SCHLUMBERGER.
01:30	05:00	3.5	RIG UP SCHLUMBERGER. TEST LINES TO 3000 PSI. PUMPED 35 BBLs FRESH WATER SPACER. PUMPED 345 SKS OF CLASS G + ADDITIVES, MIXED AT 11.0 PPG WITH 3.91 YIELD AND 24.46 GPS H2O FOR LEAD AND 325 SKS CLASS G + ADDITIVES, MIXED AT 14.1 PPG WITH 1.61 YIELD AND 8 GPS H2O. DISPLACED WITH 15 BBLs FRESH WATER AND 265 BBLs OF 9.7 PPG MUD WITH THE RIG PUMP AT 7 BPM. LAST 20 BBLs SLOWED TO 3 BPM. FINAL PUMP PRESSURE 650 PSI. BUMPED PLUG TO 1100 PSI. BLEED OFF PRESSURE AND FLOATS HELD. RETURNED 75 BBLs CEMENT TO SURFACE. ANNULUS REMAINED STATIC.
05:00	06:00	1.0	DRAINED AND WASHED OUT DIVERTER. SET "C22" CASING SLIPS WITH FULL STRING WT (130,000#). RIGGED DOWN SCHLUMBERGER.

ACCIDENT AT 21:30 HRS: FRANK'S WESTATE EMPLOYEE WORKING IN THE DERRICK AS THE CASING STABBER WAS HIT IN THE CHEST AREA BY THE HYDRAHOOK AS THE BLOCKS SWUNG TOWARD HIM. THE EMPLOYEE WAS TAKEN TO ASHLEY MEDICAL CENTER IN VERNAL AND ADMITTED AT 23:00 HRS FOR EVALUATION.

SAFETY MEETING: WORKING WITH THIRD PARTIES/RUNNING CASING/PRESSURE PUMPING  
 FULL CREWS  
 TP INSPECTED BRAKE AND CROWN-O-MATIC TOURLY  
 FUEL 5306 GALS, USED 713 GALS  
 BOILER 12 HRS

<b>10-20-2006</b>		<b>Reported By</b>		<b>RICK DITTO</b>							
<b>Daily Costs: Drilling</b>		\$215,356		<b>Completion</b>	\$0		<b>Daily Total</b>	\$215,356			
<b>Cum Costs: Drilling</b>		\$853,700		<b>Completion</b>	\$0		<b>Well Total</b>	\$853,700			
<b>MD</b>	3.810	<b>TVD</b>	3.810	<b>Progress</b>	0	<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD :</b>	0.0	<b>Perf :</b>		<b>PKR Depth :</b>	0.0				

**Activity at Report Time: MAKE UP MILL TO GIH**

Start	End	Hrs	Activity Description
06:00	10:30	4.5	NIPPLE DOWN DIVERTER. ROUGH CUT 9.625" CASING. SET OUT DIVERTER.
10:30	11:30	1.0	MAKE FINISH CUT ON 9.625" CASING. INSTALL 13 5/8" 3M X 11" 5M CASING SPOOL ASSEMBLY. TEST TO 3000 PSI FOR 15 MINUTES.

11:30 13:30 2.0 NIPPLE UP RIG'S SPACER SPOOL AND ATTEMPT TO INSTALL RIG'S DRILLING SPOOL, COULD NOT ORIENT CHOKE AND KILL LINES SO AS TO FIT IN SUBSTRUCTURE AND BE ABLE TO HOOK UP TO THE CHOKE AND KILL LINE.

13:30 14:30 1.0 UNBOLT LOWER "B" SECTION FLANGE AND TURN "B" SECTION ONE HOLE.

14:30 16:00 1.5 INSTALL RIG'S DRILLING SPOOL.

16:00 17:00 1.0 TIGHTEN BOLTS IN LOWER "B" SECTION FLANGE, TEST TO 3000 PSI FOR 15 MINUTES.

17:00 22:30 5.5 NIPPLE UP BOP.

22:30 03:00 4.5 RIG UP QUICK TEST. TEST LOWER KELLY VALVE, KELLY AND UPPER KELLY VALVE TO 250/5000 PSI. TEST FLOOR VALVE AND IBOP TO 250/5000 PSI. TEST PIPE RAMS, BLIND RAMS, KILL LINE AND CHOKE LINE VALVES TO 250/5000 PSI. TEST CHOKE MANIFOLD AND SUPER CHOKE TO 250/5000 PSI. TEST ANNULAR TO 250/2500 PSI. ALL TEST HELD FOR 10 MINUTES.

03:00 03:30 0.5 TEST 9.625" CASING TO 1500 PSI, HELD AND CHARTED PRESSURE FOR 30 MINUTES.

03:30 06:00 2.5 SET WEAR BUSHING. NIPPLE UP ROTATING HEAD AND FLOWLINE.

SAFETY MEETING: NIPPLING UP BOPS AND PRESSURE TESTING  
 NO ACCIDENTS/INCIDENTS  
 DSLTA 300  
 FUEL 4593 GALS, USED 713 GALS  
 BOILER 12 HRS

<b>10-21-2006</b>		<b>Reported By</b>		RICK DITTO							
<b>Daily Costs: Drilling</b>	\$30,175	<b>Completion</b>	\$460	<b>Daily Total</b>	\$30,635						
<b>Cum Costs: Drilling</b>	\$883,875	<b>Completion</b>	\$460	<b>Well Total</b>	\$884,335						
<b>MD</b>	4,060	<b>TVD</b>	4,060	<b>Progress</b>	245	<b>Days</b>	8	<b>MW</b>	9.0	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	10:30	4.5	MAKE UP 8.25" BLADED JUNK MILL AND 7" BOOT BASKET. TRIP IN HOLE TO 3457'.
10:30	11:00	0.5	SERVICE RIG.
11:00	11:30	0.5	LEVEL DERRICK.
11:30	12:00	0.5	KELLY UP. BREAK CIRC. STRAP DRILL PIPE ON RACKS.
12:00	14:30	2.5	PICK UP DRILL PIPE. WASH TO 3757'.
14:30	17:30	3.0	DRILL OUT FLOAT COLLAR AND SHOE TRACK.
17:30	18:00	0.5	CLEAN OUR 10' OF RATHOLE. DRILL 3810' TO 3815'.
18:00	18:30	0.5	CIRC BTMS UP.
18:30	19:00	0.5	PERFORM PIT WITH 9.1 PPG MUD WT AND 570 PSI. EMW 12.0 PPG.
19:00	19:30	0.5	CIRC. SLUG DRILL PIPE.
19:30	01:30	6.0	TRIP FOR PDC BIT AND MUD MOTOR.
01:30	02:00	0.5	BREAK CIRC. WASH 40' TO BTM.
02:00	03:30	1.5	DRILL FROM 3814' TO 3893'.
03:30	04:00	0.5	WIRELINE SURVEY. 1 DEGREE @ 3815'.
04:00	06:00	2.0	DRILL 3893' TO 4000' WITH 20K WOB, 45 ROTARY. PUMPING 400 GPM WITH 1200 PSI. MUD WEIGHT 9.0 PPG WITH 33 VISCOSITY.

DSLTA 301  
 SAFETY MEETING: DRILLING CEMENT/TRIPPING PIPE  
 8 JSA'S

TP ASSISTED IN INSPECTING BRAKE LINKAGE TOURLY  
 FUEL 4039 GALS, USED 554 GALS

PRIOR TO THE MOST RECENT BOP TEST ON 10/20/06: THE BLM IN VERNAL WAS NOTIFIED. A VOICE MAIL MESSAGE WAS LEFT WITH RANDY BYWATER AT 08:00 HRS, 10/19/06. THE CALL WAS NOT RETURNED. A FOLLOW UP CALL WAS MADE TO JAMIE SPARGER AT 10:00 HRS AND NOTIFICATION WAS CONFIRMED. THE BLM DID NOT WITNESS THE BOP TEST.

**10-22-2006**      **Reported By**      RICK DITTO

<b>Daily Costs: Drilling</b>	\$36,440	<b>Completion</b>	\$0	<b>Daily Total</b>	\$36,440
<b>Cum Costs: Drilling</b>	\$920,316	<b>Completion</b>	\$460	<b>Well Total</b>	\$920,776
<b>MD</b>	5,265	<b>TVD</b>	5,265	<b>Progress</b>	1,205
<b>Days</b>	9	<b>MW</b>	9.1	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL 4060' TO 4400', 340' @ 75.5 FPH, 20K WOB, ROTATING AT 55 RPM. PUMPING 380 GPM WITH 1200 PSI. MUD WT 9.1 PPG WITH 33 VIS.
10:30	11:00	0.5	WIRELINE SURVEY 1.5 DEGREES AT 4322'.
11:00	16:00	5.0	DRILL 4400' TO 4716', 316' @ 63.2 FPH, 20K WOB, ROTATING 55 RPM. PUMPING 380 GPM WITH 1250 PSI. MUD WT 9.1 PPG WITH 33 VIS.
16:00	16:30	0.5	SERVICE RIG. GREASE CROWN AND BLOCKS.
16:30	20:00	3.5	DRILL 4716' TO 4906', 190' @ 54 FPH, 20K WOB, ROTATING 55 RPM. PUMPING 380 GPM WITH 1325 PSI. MUD WT 9.2 PPG WITH 33 VIS.
20:00	20:30	0.5	WIRELINE SURVEY 2 DEGREES AT 4828'.
20:30	06:00	9.5	DRILL 4906' TO 5265', 359' @ 39.9 FPH, 20K WOB, ROTATING 55 RPM. PUMPING 380 GPM WITH 1400 PSI. MUD WT 9.2 PPG WITH 34 VIS.

DSLTA 302

SAFETY MEETING: CLEANING AND SCRUBBING/REPAIR BAD STEAM LINES/WORKING IN COLD WEATHER  
 REVIEWED 6 JSA'S  
 BOP DRILL DAYS 66 SEC, FUNCTION PIPE RAMS  
 BOP DRILL NIGHTS 1 MIN, 15 SEC, FUNCTION PIPE RAMS  
 TP ASSISTED IN INSPECTING BRAKE LINKAGE AND FUNCTION TESTING CROWN-O-MATIC TOURLY  
 BOILER 12 HRS  
 FUEL 2851 GALS, USED 1188 GALS

**10-23-2006**      **Reported By**      RICK DITTO

<b>Daily Costs: Drilling</b>	\$45,495	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,495
<b>Cum Costs: Drilling</b>	\$965,812	<b>Completion</b>	\$460	<b>Well Total</b>	\$966,272
<b>MD</b>	6,145	<b>TVD</b>	6,145	<b>Progress</b>	880
<b>Days</b>	10	<b>MW</b>	9.4	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL 5,265' TO 5,412', 147' @ 49 FPH, 20K WOB, ROTATING AT 55 RPM. PUMPING 380 GPM WITH 1200 PSI. MUD WT 9.2 PPG WITH 33 VIS.
09:00	09:30	0.5	WIRELINE SURVEY 3/4 DEGREES AT 5334'.
09:30	15:00	5.5	DRILL 5'412' TO 5,696', 284' @ 51.6' FPH, 20K WOB, ROTATING 55 RPM. PUMPING 380 GPM WITH 1250 PSI. MUD WT 9.3 PPG WITH 33 VIS.

15:00 15:30 0.5 SERVICE RIG. FUNCTION TESTED PIPE RAMS.  
 15:30 06:00 14.5 DRILL FROM 5696' TO 6145', 359' @ 31 FPH, 20K WOB, ROTATING 55 RPM. PUMPING 380 GPM WITH 1450 PSI. MUD WT 9.4 PPG WITH 38 VIS.

DSLTA 303  
 SAFETY MEETING: WORKING IN FORKLIFT MAN BASKET/MAINTENANCE  
 REVIEWED 3 JSA'S  
 BOP DRILL DAYS 67 SEC, FUNCTION PIPE RAMS  
 BOP DRILL NITES 80 SEC, FUNCTION PIPE RAMS  
 TP ASSISTED IN INSPECTING BRAKE LINKAGE AND FUNCTION TESTING CROWN-O-MATIC TOURLY  
 BOILER 14 HRS  
 RECEIVED 4000 GALS FUEL  
 FUEL 5544 GALS, USED 1544 GALS

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<b>10-24-2006</b>	<b>Reported By</b>	RICK DITTO									
<b>Daily Costs: Drilling</b>	\$34,463	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,463						
<b>Cum Costs: Drilling</b>	\$1,000,276	<b>Completion</b>	\$460	<b>Well Total</b>	\$1,000,736						
<b>MD</b>	6,430	<b>TVD</b>	6,430	<b>Progress</b>	285	<b>Days</b>	11	<b>MW</b>	9.4	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL FROM 6145' TO 6419', 274' @ 32 FPH, 20-25K WOB, ROTATING 45-60 RPM, PUMPING 380 GPM WITH 1450 PSI, MUD WT 9.4 PPG WITH 37 VIS.
14:30	15:00	0.5	SERVICE RIG.
15:00	15:30	0.5	DROP SURVEY AND SLUG DRILLPIPE.
15:30	21:00	5.5	POOH FOR BIT. LAYDOWN REAMERS. TOP REAMER HAD THE TOP PART OF ONE OF THE ROLLER PIN RETAINER BLOCKS BROKEN OFF AND MISSING. BIT WAS IN GOOD SHAPE, NO JUNK MARKS.
21:00	04:30	7.5	MAKE UP NEW BIT. TRIP IN HOLE, FILL DRILL PIPE AT SHOE. REPLACE CABLE ON MAKE UP TONGS.
04:30	05:30	1.0	KELLY UP WASH 70' TO BTM. WASH BTM. PATTERN BIT.
05:30	06:00	0.5	DRILL FROM 6419' TO 6430', 12K WOB, 48 ROTARY, PUMPING 380 GPM WITH 1450 PSI, MUD WT 9.5 PPG WITH 38 VIS. REVIEWED 3 JSAS. TP ASSISTED INSPECTING BRAKE LINKAGE. FUNCTION TESTED CROWN O MATIC.

DSLTA 304  
 SAFETY MEETING: SAFETY INSPECTIONS/HAZARD IDENTIFICATION/FIRST DAY BACK/TRIPPING PIPE  
 BOILER 12 HRS  
 FUEL 4752 GALS, USED 792 GALS

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<b>10-25-2006</b>	<b>Reported By</b>	RICK DITTO									
<b>Daily Costs: Drilling</b>	\$38,637	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,637						
<b>Cum Costs: Drilling</b>	\$1,038,914	<b>Completion</b>	\$460	<b>Well Total</b>	\$1,039,374						
<b>MD</b>	7,212	<b>TVD</b>	7,212	<b>Progress</b>	793	<b>Days</b>	12	<b>MW</b>	9.6	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 6419' TO 6664', 245' AT 44.5 FPH, 20-22K WOB, ROTATING 40 ROTARY, PUMPING 380 GPM WITH 1450 PSI. MUD WT 9.6 PPG WITH 37 VISCOSITY.

11:30 12:30 1.0 CIRC AND WIRELINE SURVEY 3/4 DEGREES AT 6580'.  
 12:30 13:30 1.0 DRILL 6664' TO 6696', SAME PERIMETERS.  
 13:30 14:00 0.5 RIG SERVICE.  
 14:00 06:00 16.0 DRILL 6696' TO 7212', 516' AT 32 FPH, 20-25K WOB, ROTATING 40-50 AT ROTARY. PUMPING 380 GPM WITH 1550 PSI. MUD WT 9.6 PPG WITH 35 VISCOSITY.

DSLTA 305

SAFETY MEETING: RIG MAINTENANCE AND UP KEEP/STEAM LINE AND BOILER OPERATIONS INSURING THAT ALL THIRD PARTIES UNDERSTAND AND FOLLOW ALL EOG AND PIONEER POLICIES REVIEWED 4 JSA'S

FULL FUNCTION BOP DRILLS WITH BOTH DAY AND NIGHT CREW WITH REVIEW AND CRITIQUE BY TOOLPUSHER AND COMP REP

TOOLPUSHER ASSISTED INSPECTING BRAKE LINKAGE AND FUNCTION TEST OF CROWN-O-MATIC TOURLY

BOILER 12 HRS

FUEL 3801 GALS, USED 951 GALS

10-26-2006 Reported By RICK DITTO

<b>Daily Costs: Drilling</b>	\$31,861	<b>Completion</b>	\$0	<b>Daily Total</b>	\$31,861
<b>Cum Costs: Drilling</b>	\$1,070,775	<b>Completion</b>	\$460	<b>Well Total</b>	\$1,071,235
<b>MD</b>	7,930	<b>TVD</b>	7,930	<b>Progress</b>	718
				<b>Days</b>	13
				<b>MW</b>	9.7
				<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL 7212' TO 7551', 339' AT 35.6 FPH, 20-25K WOB, ROTARY 30-40, 60 MOTOR. PUMPING 380 GPM, 1550 PSI. MUD WT 9.7 PPG WITH 37 VISCOSITY.
15:30	16:00	0.5	RIG SERVICE.
16:00	21:00	5.0	DRILL 7551' TO 7721', 170' AT 34 FPH, 20-25K WOB, 40-50 ROTARY, 60 MOTOR. PUMPING 380 GPM WITH 1600 PSI. MUD WT 9.8 PPG WITH 38 VISCOSITY.
21:00	23:30	2.5	#1 PUMP BEGAN HEAVY SMOKING (POSSIBLE TURBO OUT). SWITCH TO #2 PUMP, PRESSURES NOT CORRECT. REPLACED ALL VALVES AND SEATS IN FLUID END. IDLED #1 PUMP ON HOLE AND WORKED PIPE WHILE MAKING REPAIRS TO #2.
23:30	06:00	6.5	DRILL FROM 7721' TO 7930', 209' AT 32 FPH, WOB 20-25K, 40-50- ROTARY, 60 MOTOR. PUMPING 380 GPM WITH 1450 PSI. #2 PUMP ON HOLE. MUD WT 10.0 PPG WITH 35 VISCOSITY.

NO ACCIDENTS

FULL CREWS

DSLTA 306

SAFETY MEETING: BE PROACTIVE ON RIG MAINTENENCE AND REPAIRS/HOUSEKEEPING REVIEWED 5 JSA'S

TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION CROWN-O-MATIC TOURLY

BOILER 24 HRS

FUEL 2534 GALS, USED 1267 GALS

MECHANIC SHOULD BE ON LOCATION AT ±08:00 HRS TO BEGIN REPAIRS ON #1 MUD PUMP ENGINE

10-27-2006 Reported By RICK DITTO

<b>Daily Costs: Drilling</b>	\$41,882	<b>Completion</b>	\$0	<b>Daily Total</b>	\$41,882
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**Cum Costs: Drilling** \$1,112,658      **Completion** \$460      **Well Total** \$1,113,118  
**MD** 8,184    **TVD** 8,184    **Progress** 254    **Days** 14    **MW** 10.1    **Visc** 34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: TRIP FOR BIT**

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL 7930' TO 8089', 159' AT 15.9 FPH, 20-25K WOB, 40-60 ROTARY, 60 MOTOR. PUMPING 380 GPM WITH 1450 PSI. MUD WEIGHT 10.0 PPG WITH 35 VISCOSITY. #2 MUD PUMP ON HOLE. #1 PUMP DOWN WITH TURBO PROBLEMS.
16:00	16:30	0.5	RIG SERVICE.
16:30	21:30	5.0	DRILL 8089' TO 8184', 95' AT 19 FPH, 20-25K WOB, 40-60 RPM ROTARY, 60 RPM MOTOR. PUMPING 380 GPM WITH 1500 PSI. MUD WEIGHT 10.2 PPG WITH 36 VISCOSITY.
21:30	22:30	1.0	CIRC AND BUILD PILL. SLUG DRILLPIPE. DROP SURVEY.
22:30	06:00	7.5	TRIP FOR NEW BIT. CHANGE OUT JARS. LAY DOWN MUD MOTOR.

NO ACCIDENTS  
 FULL CREWS  
 DSLTA 307  
 SAFETY MEETING: 100% TIEOFF/TRIPPING PIPE  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION CROWN-O-MATIC TOURLY  
 BOILER HRS 18  
 RECEIVED 4000 GALS FUEL  
 FUEL 5385 GALS, USED 1149 GALS

NUMBER ONE PUMP READY AT 23:00 HRS

TOP KMV PRICE RIVER 8054'

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**10-28-2006**      **Reported By**      RICK DITTO

**Daily Costs: Drilling** \$39,242      **Completion** \$0      **Daily Total** \$39,242  
**Cum Costs: Drilling** \$1,151,900      **Completion** \$460      **Well Total** \$1,152,360  
**MD** 8,320    **TVD** 8,320    **Progress** 136    **Days** 15    **MW** 10.2    **Visc** 37.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	BREAK OUT BIT #4 AND MAKE UP BIT #5.
07:00	11:00	4.0	TRIP IN HOLE TO 3700', FILL DRILL PIPE.
11:00	11:30	0.5	RIG SERVICE.
11:30	13:00	1.5	SLIP & CUT DRILL LINE.
13:00	18:00	5.0	TRIP IN HOLE, FILL PIPE AT 6284'.
18:00	19:00	1.0	WASH/REAM 70' TO BTM.
19:00	06:00	11.0	DRILL 8184' TO 8320', 136' AT 12 FPH, 25-28K WOB, 65-70 ROTARY. PUMPING 380 GPM WITH 1150 PSI. MUD WEIGHT 10.3 PPG WITH 36 VISCOSITY.

NO ACCIDENTS  
 FULL CREWS  
 DSLTA 308

SAFETY MEETING: SLIP AND CUT DRILL LINE/MIXING CHEMICALS  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION COM TOURLY  
 FUEL 4435 GALS, USED 950 GALS

DRILLING WITH #2 PUMP. #1 PUMP IS DOWN, BOTH TURBOS WERE REPLACED. NOW THE ENGINE IS  
 CONSUMING OIL. POSSIBLE TOP JOB MAYBE REQUIRED. UNKNOMN WHEN MECHANIC WILL BE  
 AVAILABLE.

10-29-2006 Reported By RICK DITTO

DailyCosts: Drilling \$32,275 Completion \$0 Daily Total \$32,275

Cum Costs: Drilling \$1,184,175 Completion \$460 Well Total \$1,184,635

MD 8,733 TVD 8,733 Progress 413 Days 16 MW 10.4 Visc 38.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL 8320' TO 8430', 110' AT 15.7 FPH, 25-28K WOB, 60-70 ROTARY. PUMPING 380 GPM WITH 1200 PSI. MUD WT 10.4 PPG WITH 38 VISCOSITY.
13:00	13:30	0.5	RIG SERVICE.
13:30	02:00	12.5	DRILL 8430' TO 8661', 231' AT 18.5 FPH, 60-70 ROTARY, 25-28F WOB. PUMPING 380 GPM WITH 1250 PSI. MUD WT 10.7 PPG WITH 36 VISCOSITY.
01:00	06:00	5.0	DRILL 8661' TO 8733', 72' AT 14.4 FPH, 60-70 ROTARY, 25-28F WOB. PUMPING 380 GPM WITH 1250 PSI. MUD WT 10.7 PPG WITH 36 VISCOSITY.

NO ACCIDENTS  
 FULL CREWS  
 DSLTA 309  
 SAFETY MEETING: SAFE BOILER OPERATIONS/MIXING CAUSTIC  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION COM TOURLY  
 FUEL 3247 GALS, USED 1188 GALS

#1 PUMP IS ON LINE AND FULLY FUNCTIONAL

SET CLOCKS BACK 1 HR FOR DST

10-30-2006 Reported By RICK DITTO

DailyCosts: Drilling \$31,137 Completion \$0 Daily Total \$31,137

Cum Costs: Drilling \$1,215,312 Completion \$460 Well Total \$1,215,772

MD 9,136 TVD 9,136 Progress 403 Days 17 MW 10.7 Visc 37.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 8733' TO 8810', 77' AT 14 FPH, 25-28K WOB, 75 ROTARY. PUMPING 380 GPM WITH 1250 PSI. MUD WT 10.7 PPG WITH 37 VISCOSITY.
11:30	12:00	0.5	RIG SERVICE.
12:00	06:00	18.0	DRILL 8810' TO 9136', 326' AT 18 FPH, 25-28K WOB, 75 ROTARY. PUMPING 380 GPM WITH 1400 PSI. MUD WT 11.0 PPG WITH 38 VISCOSITY.

NO ACCIDENTS  
 FULL CREWS  
 DSLTA 310  
 SAFETY MEETING: HANDLING AND MIXING CAUSTIC/HOUSEKEEPING  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND COM TOURLY

FUEL 1900 GALS, USED 1347 GALS  
 BOILER 12 HRS

KMV MIDDLE PRICE RIVER 9103'

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**10-31-2006**      **Reported By**      RICK DITTO

**Daily Costs: Drilling**      \$40,077      **Completion**      \$0      **Daily Total**      \$40,077

**Cum Costs: Drilling**      \$1,255,389      **Completion**      \$460      **Well Total**      \$1,255,849

**MD**      9,430      **TVD**      9,430      **Progress**      294      **Days**      18      **MW**      11.0      **Visc**      37.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL 9136' TO 9262', 126' AT 14.8 FPH, 25-28K WOB, 75 ROTARY. PUMPING 380 GPM WITH 1400 PSI. MUD WT 11.0 PPG WITH 37 VISCOSITY.
14:30	15:00	0.5	RIG SERVICE. FUNCTION TEST CROWN-O-MATIC.
15:00	06:00	15.0	DRILL 9262' TO 9430', 168' AT 11.2 FPH, 25-28K WOB, 70 ROTARY. PUMPING 380 GPM WITH 1400 PSI. MUD WT 11.1 PPG WITH 39 VISCOSITY.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: RIG MAINTENANCE/HOUSEKEEPING/MIXING CHEMICALS  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC  
 RECEIVED 4000 GALS FUEL  
 FUEL ONHAND 4672 GALS, USED 1228 GALS

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**11-01-2006**      **Reported By**      DITTO/STRONG

**Daily Costs: Drilling**      \$29,422      **Completion**      \$8,669      **Daily Total**      \$38,091

**Cum Costs: Drilling**      \$1,284,812      **Completion**      \$9,129      **Well Total**      \$1,293,941

**MD**      9,550      **TVD**      9,550      **Progress**      120      **Days**      19      **MW**      11.2      **Visc**      40.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL FROM 9430' TO 9437'.
07:00	08:00	1.0	CIRC. BUILD SLUG. DROP SURVEY. SLUG DRILLPIPE.
08:00	14:00	6.0	POH FOR BIT. LAY DOWN BOTTOM (6) 6.25". DRILL COLLARS.
14:00	22:00	8.0	MAKE UP BIT #6. PICK UP (6) FRESH 6.25" DRILL COLLARS. TIH TO 9360' FILLING @ SHOE & 6900'.
22:00	23:00	1.0	KELLY UP, BREAK CIRC & WASH TO BOTTOM.
23:00	06:00	7.0	DRILL 9437' TO 9550', 113' AT 16.1 FPH, 15-20K WOB, 70 ROTARY. PUMPING 380 GPM WITH 1430 PSI. MUD WT 11.2 PPG WITH 40 VISCOSITY.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: RIG MAINTENENCE/COMMUNICATION  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC  
 RECEIVED 4000 GALS FUEL  
 FUEL ON HAND 3643 GALS, USED 1029 GALS  
 BOILER 12 HRS

LITHOLOGY: SS 60%, CARB SH 30%, SLTSTN 10%  
 Kmv PRICE RIVER MIDDLE @ 9103'  
 PUW 205K, SOW 196K, ROT 199K

<b>11-02-2006</b>	<b>Reported By</b>	DITTO/STRONG									
<b>Daily Costs: Drilling</b>	\$29,907	<b>Completion</b>	\$8,669	<b>Daily Total</b>	\$38,576						
<b>Cum Costs: Drilling</b>	\$1,314,719	<b>Completion</b>	\$17,798	<b>Well Total</b>	\$1,332,517						
<b>MD</b>	9,748	<b>TVD</b>	9,748	<b>Progress</b>	198	<b>Days</b>	20	<b>MW</b>	11.1	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 9550' TO 9612', 62' AT 17.7 FPH, 15-20K WOB, 70 ROTARY. PUMPING 380 GPM WITH 1430 PSI. MUD WT 11.2 PPG WITH 40 VISCOSITY.
09:30	10:00	0.5	LUBE RIG.
10:00	14:30	4.5	RIG REPAIR, DERRICK BOARD CARCK IN ODS CORNER.
14:30	18:00	3.5	DRILL 9612' TO 9656', 44' AT 12.5 FPH, 15-25K WOB, 55/75 ROTARY. PUMPING 380 GPM WITH 1430 PSI. MUD WT 11.2 PPG WITH 40 VISCOSITY.
18:00	00:00	6.0	DRILL 9656' TO 9706', 50' AT 8.3 FPH, 15-25K WOB, 50/ 75 ROTARY. PUMPING 379 GPM WITH 1400 PSI. MUD WT 11.2 PPG WITH 40 VISCOSITY.
00:00	06:00	6.0	DRILL 9706' TO 9748', 42' AT 7 FPH, 15-25K WOB, 45/70 ROTARY. PUMPING 380 GPM WITH 1400 PSI. MUD WT 11.2 PPG WITH 40 VISCOSITY.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: MAINTAINING WALKWAYS/SAFETY SIGNS  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC  
 PUW 206K, SOW 198K, ROT 202K  
 FUEL ON HAND 2376 GALS, USED 1087 GALS  
 BOILER 12 HRS

LITHOLOGY: SS 30%, CARB SH 35%, SLTSTN 35%  
 Kmv PRICE RIVER MIDDLE @ 9103'

<b>11-03-2006</b>	<b>Reported By</b>	STRONG									
<b>Daily Costs: Drilling</b>	\$30,667	<b>Completion</b>	\$4,128	<b>Daily Total</b>	\$34,795						
<b>Cum Costs: Drilling</b>	\$1,345,387	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,367,313						
<b>MD</b>	9,840	<b>TVD</b>	9,840	<b>Progress</b>	92	<b>Days</b>	21	<b>MW</b>	11.1	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL 9748' TO 9766', 18' AT 12 FPH, 15-25K WOB, 45/70 ROTARY. PUMPING 380 GPM WITH 1400 PSI. MUD WT 11.2 PPG WITH 40 VISCOSITY.
07:30	08:00	0.5	PUMP SLUG, BREAK & SET KELLY BACK. DROP SURVEY.
08:00	12:30	4.5	TOH FOR BIT CHANGE.
12:30	13:30	1.0	LD BIT #6. PU BIT #7 (HC 509Z-SN # 7006336), 6.5" MUD MOTOR (HUNTING 0.13 RPG). MISS-RUN SURVEY.
13:30	15:30	2.0	TIH W/BIT #7 TO 3415'.
15:30	16:30	1.0	RIG REPAIR. CHANGE DRUM CLUTCH ON DRAW WORKS. CIRC WHILE REPAIRING RIG.
16:30	17:00	0.5	LUBE RIG. FUNCTION TEST PIPE RAMS.
17:00	18:15	1.25	SLIP & CUT 100' DRILL LINE.
18:15	23:00	4.75	FIN TIH W/BIT #7 TO 9700'. FILL @ 6800'.
23:00	23:30	0.5	KELLY UP, BREAK CIRC.
23:30	00:00	0.5	INSTALL BOARD SUPPORT LINES.
00:00	00:30	0.5	WASH & REAM BACK TO BOTTOM.
00:30	06:00	5.5	DRILL FROM 9766' TO 9840', 74' AT 13.5 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1590 PSI. MUD WT 11.1 PPG WITH 40 VISCOSITY. RAISED MUD WT WHILE DRILLING TO 11.3 PPG.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: TRIPPING  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC  
 PUW 209K, SOW 198K, ROT 206K  
 FUEL ON HAND 1584GALS, USED 792 GALS  
 BOILER 12 HRS

LITHOLOGY: SS 20%, CARB SH 40%, SLTSTN 40%  
 Kmv PRICE RIVER MIDDLE @ 9103'

<b>11-04-2006</b>		<b>Reported By</b>		<b>STRONG</b>							
<b>Daily Costs: Drilling</b>	\$40,360	<b>Completion</b>	\$0	<b>Daily Total</b>	\$40,360						
<b>Cum Costs: Drilling</b>	\$1,385,748	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,407,674						
<b>MD</b>	10,060	<b>TVD</b>	10,060	<b>Progress</b>	220	<b>Days</b>	22	<b>MW</b>	11.5	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 9840' TO 9896', 56' AT 10.2 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY. RAISED MUD WT WHILE DRILLING TO 11.5 PPG.
11:30	12:00	0.5	LUBE RIG. FUNCTION ANNULAR.
12:00	18:00	6.0	DRILL 9896' TO 9975', 79' AT 13.2 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY. RAISED MUD WT WHILE DRILLING TO 11.6 PPG. 3 HRS ON BOILER.
18:00	00:00	6.0	DRILL 9975' TO 10018', 43' AT 7.2 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY. RAISED MUD WT WHILE DRILLING TO 11.6 PPG.
00:00	06:00	6.0	DRILL 10018' TO 10060', 42' AT 7.0 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY.

NO ACCIDENTS

FULL CREWS  
 SAFETY MEETING: WALKWAY ACCESS/PPE USE  
 TOOL PUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC  
 RECEIVED 4500 GALS FUEL TODAY  
 FUEL ON HAND 4752 GALS. USED 1342 GALS  
 BOILER 15 HRS

PUW 211K, SOW 200K, ROT 206K  
 MUD WT 11.5+ @ 37 VIS

LITHOLOGY: SS 30%, CARB SH 40%, SLTSTN 30%  
 Kmv PRICE RIVER LOWER @ 9823'

<b>11-05-2006</b>		<b>Reported By</b>		<b>STRONG</b>							
<b>Daily Costs: Drilling</b>	\$45,863			<b>Completion</b>	\$0			<b>Daily Total</b>	\$45,863		
<b>Cum Costs: Drilling</b>	\$1,431,612			<b>Completion</b>	\$21,926			<b>Well Total</b>	\$1,453,538		
<b>MD</b>	10,380	<b>TVD</b>	10,380	<b>Progress</b>	320	<b>Days</b>	23	<b>MW</b>	11.65	<b>Visc</b>	37.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL 10060' TO 10180', 120' AT 15.0 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY. RAISING MUD WT TO 11.8 PPG.
14:00	14:30	0.5	RIG SERVICE.
14:30	18:00	3.5	DRILL 10120' TO 10212', 32' 9.1 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 37 VISCOSITY. VENTING THROUGH GAS BUSTER W/3'/15' INTERMITTENT FLARE. BGG HOLDING FROM 6400U TO 8800U FROM 14:30 HRS TO 18:00 HRS. RAISING MUD WT TO 12.0 PPG.
18:00	00:00	6.0	DRILL 10212' TO 10304', 92' AT 15.3 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY. RAISING MUD WT TO 12.0 PPG. VENTING THROUGH GAS BUSTER W/3'/15' INTERMITTENT FLARE. BGG HOLDING FROM 6400U TO 8500U FROM 18:00 HRSTO 00:00 HRS. RAISING MUD WT TO 12.0 PPG.
00:00	06:00	6.0	DRILL 10304' TO 10380', 76' AT 12.6 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 11.5 PPG WITH 40 VISCOSITY. VENTING THROUGH GAS BUSTER W/3'/15' INTERMITTENT FLARE UNTIL 02:30 HRS. BGG HOLDING FROM 6400U TO 8200U FROM 00:00 HRSTO 02:30 HRS. RAISED MUD WT TO 12.3 PPG. BGG DROPPED FROM 6630U @ 0230 TO 540U BY 02:50 HRS. NO MORE FLARE.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: TRIPPING DP, PORTABLE TOOL USE  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC  
 FUEL ON HAND 3405 GALS, USED 1167 GALS  
 BOILER 15 HRS

PUW 218K, SOW 209K, ROT 213K  
 MUD WT 11.5+ @ 37 VIS

LITHOLOGY: SS 55%, CARB SH 25%, SLTSTN=20%  
 Kmv PRICE RIVER LOWER @ 9823'

SEGO TOP @ 10,210'

<b>11-06-2006</b>	<b>Reported By</b>	STRONG									
<b>Daily Costs: Drilling</b>	\$41,866	<b>Completion</b>	\$0	<b>Daily Total</b>	\$41,866						
<b>Cum Costs: Drilling</b>	\$1,473,478	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,495,404						
<b>MD</b>	10,380	<b>TVD</b>	10,380	<b>Progress</b>	36	<b>Days</b>	24	<b>MW</b>	12.3	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: TRIP IN HOLE

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL 10380' TO 10416', 76' AT 12.6 FPH, 15-25K WOB, 45/50 ROTARY RPM, 49 MOTOR RPM. PUMPING 380 GPM WITH 1730 PSI. MUD WT 12.3 PPG WITH 38 VISCOSITY. VENTING THROUGH GAS BUSTER W/NO FLARE. BGG HOLDING FROM 6400U TO 8200U FROM 0800 HRS TO 1000 HRS. RAISED MUD WT TO 12.5 PPG. BGG DROPPED FROM 8850U @ 1000U TO 4100U BY 11:00 HRS.
11:00	12:00	1.0	30 MIN FLOW CHECK. WELL STATIC. SLUG DP. SET KELLY BACK. DROP & WAIT ON TOTCO SURVEY TOOL TO FIRE.
12:00	18:00	6.0	TOH FOR BIT, HOLE SLICK. SURVEY MISS-RUN.
18:00	19:15	1.25	LD MUD MOTOR & BIT #7. PU NEW MUD MOTOR (HUNTING .16 RPM-SN# 6012) & BIT #8 (REED/HYCALOG-DSR 716-M-SN # 116768).
19:15	23:00	3.75	TIH W/BIT #8 TO SHOE.
23:00	00:15	1.25	INSTALL ROT HEAD RUBBER & FILL DP.
00:15	00:45	0.5	TIH TO 4178'. SET DOWN 25K, COULD NOT PASS. PU 35K OVER TO PULL FREE.
00:45	02:15	1.5	KELLY UP. WASH FROM 4148' TO 4254'. SET KELLY BACK.
02:15	06:00	3.75	CONTINUE TO TIH TO 8000'. STOP & FILL DP @ 6810'.

NO ACCIDENTS

FULL CREWS

SAFETY MEETING: TRIPPING DP/MIXING MUD

TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC

MUD WT 12.5+ @ 39 VIS

FUEL ON HAND 2217 GALS, USED 1188 GALS

BOILER 15 HRS

LITHOLOGY: SS 75%, SH 15%, SLTSTN 10%

SEGO TOP @ 10,210'

Kmv CASTLEGATE TOP @ 10,338'

<b>11-07-2006</b>	<b>Reported By</b>	STRONG									
<b>Daily Costs: Drilling</b>	\$45,257	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,257						
<b>Cum Costs: Drilling</b>	\$1,518,735	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,540,661						
<b>MD</b>	10,784	<b>TVD</b>	10,784	<b>Progress</b>	368	<b>Days</b>	25	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	FINISH TIH TO TIH TO 10,368'.
07:00	08:00	1.0	KELLY UP. BREAK CIRC. REAM FROM 10,370' TO 104,16', NO APPARENT FILL.

08:00 14:00 6.0 DRILL 10,416' TO 10,500', 84' AT 14 FPH, 15-25K WOB, 41/50 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2270 PSI, VENTING THROUGH GAS BUSTER W/NO FLARE. MUD WT TO 12.6 PPG.

14:00 14:30 0.5 SERVICE RIG. LUBE RIG. FUNCTION TESTED PIPE RAMS.

14:30 18:00 3.5 DRILL 10,500' TO 10,545', 45' AT 12.8 FPH, 15-25K WOB, 41/50 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2270 PSI, VENTING THROUGH GAS BUSTER W/NO FLARE. MUD WT 12.6 PPG.

18:00 00:00 6.0 DRILL 10,545' TO 10,657', 112' AT 18.6 FPH, 15-25K WOB, 45/ 65 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2250 PSI, VENTING THROUGH GAS BUSTER W/NO FLARE. MUD WT 12.6 PPG.

00:00 06:00 6.0 DRILL 10,657' TO 10,784', 127' AT 21.6 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2270 PSI, VENTING THROUGH GAS BUSTER W/NO FLARE. MUD WT 12.6 PPG-39 VIS.

NO ACCIDENTS

FULL CREWS

NC: BOP DRIL 45 SECONDS

SAFETY MEETING: LIFTING HEAVY OBJECTS PROPERLY/PU DP

TOOLPUSHER ASSISTED INSPECTING BRAKES AND FUNCTION OF CROWN-O-MATIC

RECEIVED 4500 GALS FUEL, FUEL ON HAND 5385 GALS, USED 1332 GALS

BOILER 14 HRS

PUW 223K, SOW 207K, ROT 217K

MUD WT 12.6 @ 39 VIS

LITHOLOGY: CARBSH 45%, SS 35%, SLTSTN 20%

BGG 750U, CONN GAS 4500U, TRIP GAS 3571U, HIGH GAS 7672U @ 10,631'

Kmv CASTLEGATE TOP @ 10,338'

<b>11-08-2006</b>		<b>Reported By</b>		<b>STRONG</b>							
<b>Daily Costs: Drilling</b>		\$42,540		<b>Completion</b>	\$0		<b>Daily Total</b>	\$42,540			
<b>Cum Costs: Drilling</b>		\$1,561,276		<b>Completion</b>	\$21,926		<b>Well Total</b>	\$1,583,202			
<b>MD</b>	11,227	<b>TVD</b>	11,227	<b>Progress</b>	443	<b>Days</b>	26	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL 10,784' TO 10,942', 158' AT 21.0 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2270 PSI. MAINTAINING MUD WT 12.6 PPG, 39 VIS.
13:30	14:00	0.5	LUBE RIG. FUNCTION TEST PIPE RAMS.
14:00	18:00	4.0	DRILL 10,942' TO 11,005', 63' AT 15.75 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2270 PSI. MAINTAINING MUD WT 12.6 PPG, 39 VIS.
18:00	00:00	6.0	DRILL 11,005' TO 11,132', 127' AT 21.2 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2270 PSI. MAINTAINING MUD WT 12.6 PPG, 39 VIS.
00:00	06:00	6.0	DRILL 11,132' TO 11,227', 95' AT 15.8 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2360 PSI. MAINTAINING MUD WT 12.7 PPG, 40 VIS.

NO ACCIDENTS

FULL CREWS

NC: BOP DRIL

SAFETY MEETING: SLIP MAINTENANCE/STEAM LINE MAINT

TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM

RECEIVED 4500 GALS FUEL, FUEL ON HAND 3880 GALS, USED 1505 GALS

BOILER 12 HRS

PUW 225K, SOW 215K, ROT 220K

MUD WT 12.6 @ 39 VIS

LITHOLOGY: SH 15%, SS 75%, SLTSTN 10%

BGG 750U, CONN GAS 1000U, TRIP GAS N/A, HIGH GAS 5110U @ 10,895'

BLACKHAWK TOP @ 10,832' MUD LOGIC

<b>11-09-2006</b>	<b>Reported By</b>	STRONG									
<b>Daily Costs: Drilling</b>	\$64,293	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,293						
<b>Cum Costs: Drilling</b>	\$1,625,569	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,647,495						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	273	<b>Days</b>	27	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: CIRC - PREP TO TOH FOR LOGS</b>											

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL 11,227' TO 11,322', 95' AT 23.8 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2360 PSI. MAINTAINING MUD WT 12.8 PPG, 40 VIS.
10:00	10:30	0.5	LUBE RIG. FUNCTION TEST ANNULAR.
10:30	18:00	7.5	DRILL 11,322' TO 11,448', 126' AT 16.8 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2450 PSI. MAINTAINING MUD WT 13 PPG, 44 VIS.
18:00	22:30	4.5	DRILL 11,448' TO 11,500' TD, 52' AT 11.5 FPH, 15-25K WOB, 45/70 ROTARY RPM, 60 MOTOR RPM. PUMPING 380 GPM WITH 2525 PSI. MAINTAINING MUD WT 13 PPG, 44 VIS. REACHED TD AT 22:30 HRS, 11/8/06.
22:30	23:00	0.5	CIRC CLEAN FOR SHORT TRIP.
23:00	01:00	2.0	SLUG DP. SET KELLY BACK. PULL 1 JT WET. PU KELLY. BUILD SLUG #2, RESLUG DP, PIPE STILL WET. BUILD SLUG #3. SLUG DP. SET KELLY BACK, PIPE DRY.
01:00	05:00	4.0	SHORT TRIP 20 STDS TO 10,250' & BACK TO BOTTOM W/NO EXCESSIVE OVER PULL.
05:00	06:00	1.0	KELLY UP & START CIRC CLEAN AFTER SHORT TRIP.

NO ACCIDENTS

FULL CREWS

SAFETY MEETING: TRIPPING/INSPECTING & CHANGING TONG DIES

TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM

FUEL ON HAND 2613 GALS, USED 1267 GALS

BOILER 10.5 HRS

PUW 227K, SOW 220K, ROT 224K

MUD WT 13 @ 43 VIS

LITHOLOGY: SH 85%, SS 10%, SLTSTN 5%

BGG 650U, CONN GAS 1000U, TRIP GAS N/A, HIGH GAS 8720U @ 11,279'

BLACKHAWK TOP @ 10,832'

MANCOS TOP @ 11,422' MUD LOGIC

<b>11-10-2006</b>	<b>Reported By</b>	STRONG							
<b>Daily Costs: Drilling</b>	\$32,708	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,708				
<b>Cum Costs: Drilling</b>	\$1,658,277	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,680,203				

MD 11,500 TVD 11,500 Progress 0 Days 28 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RUN OH LOGS

Start	End	Hrs	Activity Description
06:00	07:30	1.5	FIN CIRC CLEAN. HIGH GAS 7952U FOR 2 MIN. SLUG DP, SET KELLYBACK & DROP TOTCO SURVEY TOOL.
07:30	20:00	12.5	TOH TO BIT W/NO EXCESSIVE OVER PULL OR TIGHT SPOTS. BREAK OUT BIT. SURVEY 1 DEGREE @ 11,422'.
20:00	22:30	2.5	PJSM W/SCHLUMBERGER LOGGERS & RIG CREW. RU SCHLUMBERGER LOGGING TOOLS.
22:30	06:00	7.5	RIH W/PEX/SONIC SCANNER TOOLS (DSI WAS NOT AVAILABLE). FOUND BOTTOM @ 11,500'. RUN LOGS FROM 11490' TO 9000' @ REPORT TIME. LOGGING @ 600' HR TO GET GOOD LOG READINGS (TRIED 1500 & 1200 FPH).

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: TRIPPING/WIRELINE LOGGING  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM  
 FUEL ON HAND 1980 GALS, USED 633 GALS  
 BOILER 16.5 HRS

PUW 227K, SOW 220K, ROT 224K  
 MUD WT 13 @ 43 VIS

LITHOLOGY: SH 85%, SS 10%, SLTSTN 5%  
 BGG 310U, CONN GAS 1000U, TRIP GAS 7952U  
 BLACKHAWK TOP @ 10,832'  
 MANCOS TOP @ 11,422', MUD LOGIC

11-11-2006		Reported By	STRONG				Daily Total	\$32,169
Daily Costs: Drilling	\$32,169	Completion	\$0	Well Total	\$1,712,372			
Cum Costs: Drilling	\$1,690,446	Completion	\$21,926	Well Total	\$1,712,372			
MD 11,500 TVD 11,500	Progress 0	Days 29	MW 0.0	Visc 0.0				
Formation :	PBT D : 0.0	Perf :	PKR Depth : 0.0					

Activity at Report Time: TIH TO SHOE - PREP TO SLIP & CUT DRILL LINE

Start	End	Hrs	Activity Description
06:00	18:30	12.5	FINISH RUNNING PEX/DSI- SCANNER LOGS FROM 11490' TO 3800'. LOGGING @ 600' HR TO GET GOOD LOG READINGS.
18:30	23:30	5.0	RU & RIH W/SCHLUMBERGER MSCT (ROTARY SIDEWALL CORING TOOL) TO 4280' WLM, COULD NOT PASS TIGHT SPOT IN HOLE IN 1 HR OF WORKING TOOLS. CALIPER SHOWED HOLE TO BE UNDERGUAGE IN THIS AREA. POH RD SCHLUMBERGER MSCT. KEEP SCHLUMBERGER EQUIPMENT ON STDBY. DECISION TO MAKE CLEAN UP TRIP BEFORE ANOTHER ATTEMPT TO COLLECT CORES.
23:30	00:30	1.0	RU DP SPINNER TONGS. CLEAN FLOOR, PREP TO TIH.
00:30	06:00	5.5	MU USED 7.875" SMITH MF45HV TRICONR INSERT BIT (SN # MT7058) ON MOTOR & TIH ON SAME BHA AS BIT #8 TO 3800'.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: TRIPPING/WIRELINE LOGGING  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM

RECEIVED 4000 GALS FUEL  
 FUEL ON HAND 5227 GALS, USED 753 GALS  
 BOILER 14 HRS  
 MUD WT 13 @ 40 VIS

LAST LITHOLOGY: SH 85%, SS 10%, SLTSTN 5%  
 BGG 310U, CONN GAS 1000U, TRIP GAS 7952U  
 BLACKHAWK TOP @ 10,832'  
 MANCOS TOP @ 11,422', MUD LOGIC

<b>11-12-2006</b>		<b>Reported By</b>		<b>STRONG</b>							
<b>Daily Costs: Drilling</b>	\$92,268			<b>Completion</b>	\$0			<b>Daily Total</b>	\$92,268		
<b>Cum Costs: Drilling</b>	\$1,782,714			<b>Completion</b>	\$21,926			<b>Well Total</b>	\$1,804,640		
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	30	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: WASHING/REAMING</b>											

Start	End	Hrs	Activity Description
06:00	07:30	1.5	SLIP & CUT 200' DRILL LINE.
07:30	08:30	1.0	LD 12 JTS DP FROM DERRICK.
08:30	09:00	0.5	TIH TO 4000'.
09:00	19:30	10.5	KELLY UP. WASH/REAM FROM 4106' TO 4423' WHILE WEIGHTING MUD UP TO 13.5 PPG. LAST 2 JTS WASHED DOWN W/NO DRAG. SET KELLY BACK.
19:30	21:30	2.0	SET KELLY BACK. TIH TO 4515'. DRAGGING 10/15K ON JT #2 & 30/45K ON JT #3. POH LD 3 JTS. LD 10 MORE JTS FROM DERRICK.
21:30	06:00	8.5	KELLY UP. WASH/REAM FROM 4423' TO 4850'. ATTEMPT TO SLACK OFF W/O PUMPS EVERY 5 JTS, NO LUCK GETTING PAST TIGHT SPOTS W/O PUMP & ROTARY. PU 30/50 K OVER STRING WT, USING ROTARY & PUMP TO WORK PAST TIGHT SPOTS. PUMPED 1 HIGH VIS SWEEP BEFORE REPORT TIME.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: WASH-REAM/BREAK DOWN DP STANDS FROM DERRICK  
 TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM  
 MUD WT 13.5 @ 43 VIS  
 FUEL ON HAND 4197 GALS, USED 1030 GALS  
 BOILER 24 HRS

<b>11-13-2006</b>		<b>Reported By</b>		<b>STRONG</b>							
<b>Daily Costs: Drilling</b>	\$36,627			<b>Completion</b>	\$0			<b>Daily Total</b>	\$36,627		
<b>Cum Costs: Drilling</b>	\$1,819,342			<b>Completion</b>	\$21,926			<b>Well Total</b>	\$1,841,268		
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	31	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: LD MUD MOTOR &amp; BIT</b>											

Start	End	Hrs	Activity Description
06:00	18:00	12.0	WASH/REAM FROM 4850' TO 5277'. LOST 69 BBLs MUD @ 5087' & HAD TO WORK PIPE UP PAST TIGHT SPOT. LOST ABOUT 50% CIRC FOR 16 MIN. SLOWED PUMPS TO 6.5 BPM WHILE WORKING PIPE TO GET PAST TIGHT SPOT. RECOVERED 90% CIRC WHILE WASHING. HOLE CONTINUING TO DRINK FLUID @ .5 BPM WHILE PUMPING @ 130 SPM W/1650 PSI.

18:00 19:30 1.5 PUMP LCM SWEEP AROUND (60 BBLS + 7 PLUG, 7 SEAL , 5 SAWDUST & 3 CANS POLY SWELL ADDED ON THE FLY) CIRC CLEAN. SLUG DP.  
 19:30 21:00 1.5 SET KELLY BACK & TOH SLOWLY, NO DRAG ON FIRST 14 STDS. STD 15 DRAGGING 45K OVER @ 4580'.  
 21:00 23:00 2.0 WIPE OUT TIGHT SPOT FROM 4280' TO 4275' & 4259' TO 4255'.  
 23:00 05:00 6.0 FINISH TOH TO BIT. PULLED 30 K OVER STRING WT TO PULL BIT INTO CSG SHOE @ 3800'.  
 05:00 06:00 1.0 LD MUD MOTOR & BIT. PU SMITH FDS, BIT & NEW MUD MOTOR.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: WASH & REAM & BREAKTIGHT DP CONNS/USING DP SPINNERS/TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM  
 MUD WT 13.1 @ 43 VIS  
 FUEL ON HAND 3000 GALS, USED 1197 GALS  
 BOILER 18 HRS

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<b>11-14-2006</b>	<b>Reported By</b>	STRONG									
<b>Daily Costs: Drilling</b>	\$35,486	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,486						
<b>Cum Costs: Drilling</b>	\$1,854,828	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,876,754						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	32	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: WASH/REAM**

Start	End	Hrs	Activity Description
06:00	06:30	0.5	TIH W/BIT & MOTOR. WHILE PU DC STD #2, STD GOT AWAY FROM DERRICK HAND & PINNED HIM BETWEEN HAND RAIL & DC.
06:30	10:15	3.75	MOVE DC & HELP DERRICK MAN DOWN FROM BOARD. WAIT ON ANOTHER DERRICK MAN TO SHOW UP ON LOCATION TO WORK THE DERRICK POSITION.
10:15	13:00	2.75	TIH TO SHOE W/BIT.
13:00	14:00	1.0	RU LINE & FILL DP.
14:00	15:00	1.0	TIH W/BIT TO 5306', SET 40K. PU, DRAGGING 12K OVER. LD SINGLE.
15:00	15:30	0.5	KELLY UP & BREAK CIRC.
15:30	18:00	2.5	WASH & REAM FROM 5277' TO 5433'.
18:00	06:00	12.0	WASH & REAM FROM 5433' TO 6900'.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: TRIPPING PIPE/WASH & REAMING/TOOLPUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM  
 MUD WT 13.2 @ 43 VIS  
 FUEL ON HAND 2138 GALS, USED 862 GALS  
 BOILER 24 HRS

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<b>11-15-2006</b>	<b>Reported By</b>	STRONG/DITTO									
<b>Daily Costs: Drilling</b>	\$34,222	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,222						
<b>Cum Costs: Drilling</b>	\$1,889,050	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,910,976						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	33	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: WASHING/REAMING**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	WASH/REAM FROM 6900' TO 7300'. ROTARY CLUTCH SLIPPING.
11:30	12:00	0.5	RIG SERVICE & CIRC HIGH VIS (70 SEC QT) SWEEP + LCM AROUND WHILE MECHANIC EVALUATE CLUTCH PROBLEM.
12:00	15:00	3.0	RIG REPAIR, REPLACE ROTARY DRIVE CLUTCH.
15:00	16:00	1.0	RUN 5 STDS DP FROM DERRICK. STD #6 SET DOWN 35K, COULD NOT PASS. LD STD #6 & KELLY UP TO WASH/REAM.
16:00	06:00	14.0	WASH/REAM FROM 7640' TO 9000'.

NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: WASHING-REAMING/LAYING PIPE DOWN OUT OF DERRICK  
 TOOL PUSHER ASSISTED INSPECTING BRAKES AND HOISTING SYSTEM  
 MUD WT 13.0 PPG WITH 43 VISCOSITY  
 FUEL ON HAND 871 GALS, USED 1267 GALS

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<b>11-16-2006</b>	<b>Reported By</b>	DITTO									
<b>Daily Costs: Drilling</b>	\$45,857	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,857						
<b>Cum Costs: Drilling</b>	\$1,934,907	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,956,833						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	34	<b>MW</b>	13.0	<b>Visc</b>	45.0
<b>Formation :</b>	PBTB : 0.0			<b>Perf :</b>	PKR Depth : 0.0						

**Activity at Report Time: PREP TO LAYDOWN DRILL PIPE**

Start	End	Hrs	Activity Description
06:00	08:00	2.0	WASH/REAM FROM 9000' TO 9248'.
08:00	09:00	1.0	TRIP IN HOLE TO 9368'. BEGIN TAKING WEIGHT, COULD NOT PUSH THROUGH WITH 50K. WORK OUT ONE JOINT DP AND KELLY UP.
09:00	14:00	5.0	WASH/REAM FROM 9368' TO 9739'.
14:00	14:30	0.5	RIG SERVICE.
14:30	02:30	12.0	WASH/REAM FROM 9738' TO 11500' (TD).
02:30	04:00	1.5	CIRCULATE BTMS UP.
04:00	04:30	0.5	RECIPROCATATE PIPE WITH 75' STROKES WITH PUMP OFF.
04:30	06:00	1.5	PUMP SWEEP. CIRCULATE TO CLEAN UP HOLE. RIG UP FRANK' WESTATES LAYDOWN MACHINE.

MUD WEIGHT 13.3 PPG WITH 45 PV AND 20 YP  
 NO ACCIDENTS  
 FULL CREWS  
 SAFETY MEETING: RIG SERVICE/PROPER USE OF PPE'S (RESPIRATORS)  
 TOOL PUSHER ASSISTED INSPECTING BRAKES AND HOISTING EQUIPMENT  
 FUEL ON HAND 3722 GALS, USED 1149 GALS, RECEIVED 4000 GALS

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<b>11-17-2006</b>	<b>Reported By</b>	DITTO									
<b>Daily Costs: Drilling</b>	\$41,276	<b>Completion</b>	\$0	<b>Daily Total</b>	\$41,276						
<b>Cum Costs: Drilling</b>	\$1,976,183	<b>Completion</b>	\$21,926	<b>Well Total</b>	\$1,998,109						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	35	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	PBTB : 0.0			<b>Perf :</b>	PKR Depth : 0.0						

**Activity at Report Time: RUN PRODUCTION CASING**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CIRCULATE HOLE CLEAN.
07:30	19:00	11.5	POH, LAY DOWN DRILL PIPE. TIGHT HOLE AT 5706' AND 5611'. WORKED OUT TIGHT SPOTS. POH. HOLE LAY DOWN DRILL PIPE TO 2500'.
19:00	20:00	1.0	BREAK KELLY.
20:00	22:00	2.0	SLIP & CUT 180' OF DRILL LINE.
22:00	00:30	2.5	FINISH LAYDOWN DRILL PIPE AND BHA.
00:30	01:00	0.5	PULL WEAR BUSHING. SAFETY MEETING WITH FRANKS WESTATES AND ALL RIG PERSONNEL.
01:00	03:00	2.0	RIG UP CASING TOOLS.
03:00	06:00	3.0	RUN IN HOLE WITH 4.5" HCP-110, 11.6#. LTC PRODUCTION CASING AT 1000'. ENTIRE REPORT WILL FOLLOW TOMORROW.

NO ACCIDENTS

FULL CREWS

SAFETY MEETING: WORKING WITH THIRD PARTIES/LD DRILLPIPE & RUNNING CASING/TOOL PUSHER ASSISTED INSPECTING BRAKES AND HOISTING EQUIPMENT

FUEL ON HAND 2772 GALS. USED 950 GALS

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<b>11-18-2006</b>	<b>Reported By</b>	DITTO									
<b>Daily Costs: Drilling</b>	\$23,140	<b>Completion</b>	\$227,948	<b>Daily Total</b>	\$251,088						
<b>Cum Costs: Drilling</b>	\$1,999,323	<b>Completion</b>	\$249,874	<b>Well Total</b>	\$2,249,197						
<b>MD</b>	11.500	<b>TVD</b>	11.500	<b>Progress</b>	0	<b>Days</b>	36	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	PBTB : 0.0			<b>Perf :</b>	PKR Depth : 0.0						

**Activity at Report Time: RELEASE ROTARY RIG/WO COMPLETION**

Start	End	Hrs	Activity Description
06:00	13:30	7.5	RUN 269 JTS (267 FULL JTS + 2 MARKER JTS) OF 4.5", HC P-110, 11.6#, LTC PRODUCTION CASING. LANDED AT 11,490' KB. RAN AS FOLLOWS: FS, 1 JT CASING, FC AT 11,447', 83 JTS CASING, MARKER JTS AT 7831', 84 JTS CASING, MARKER JT AT 4246', 104 JTS CASING.
13:30	15:30	2.0	CIRC WITH RIG PUMPS. RIG DOWN CASNG TOOLS AND PICKUP MACHINE. SAFETY MEETING WITH SCHLUMBERGER AND ALL RIG PERSONNEL.
15:30	18:30	3.0	RIG UP SCHLUMBERGER. TEST LINES TO 5000 PSI. PUMP 20 BBLS OF CHEMICAL WASH AND 20 BBLS OF FRESH WATER. PUMPED 2060 SKS OF 50/50 POZ G + ADDITIVES (1.29 YIELD), MIXED WITH 5.96 GPS H2O AT 14.1 PPG. DISPLACED TO FLOAT COLLAR WITH FRESH WATER + 2 GAL/1000 L064. AVG MIX AND DISPLACEMENT RATE 7 BPM. FINAL PRESSURE 3446 PSI AT 2.5 BPM. BUMPED PLUG TO 4064 PSI. BLED OFF PRESSURE AND FLOATS HELD.
18:30	19:30	1.0	RIGGED DOWN SCHLUMBERGER. HUNG OFF 4.5" CASING ON SLIPS WITH 100,000# WEIGHT.
19:30	00:30	5.0	NIPPLE DOWN BOP. CUT OFF 4.5" CASING. SET OUT BOPS.
00:30	03:30	3.0	BEVEL 4.5" CASING STUB. INSTALL 11" 5M X 4.5" 10M TUBING HEAD WITH DRY HOLE CAP. TEST FLANGE TO 5000 PSI.
03:30	06:00	2.5	RIG DOWN GAS BUSTER AND FLARE LINES. CLEAN MUD PITS.

NO ACCIDENTS

FULL CREWS

TRUCKS SCHEDULED TO MOVE RIG TO OSCU 109-27 SUNDAY MORNING, 11/19/06

TRANSFERED TO OSCU 109-27:  
2059 GALS DIESEL AT \$2.60 GAL

06:00 18.0 RELEASED RIG AT 06:00 HRS, 11/18/06.  
CASING POINT COST \$1,997,529

11-23-2006 Reported By MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$12,429	<b>Daily Total</b>	\$12,429
<b>Cum Costs: Drilling</b>	\$1,999,323	<b>Completion</b>	\$262,303	<b>Well Total</b>	\$2,261,627
<b>MD</b>	11.500	<b>TVD</b>	11.500	<b>Progress</b>	0
				<b>Days</b>	37
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : BLACKHAWK</b>	<b>PBTD : 0.0</b>		<b>Perf : 11238-11284</b>		<b>PKR Depth : 0.0</b>

Activity at Report Time: SD FOR HOLIDAY. PREP TO FRAC.

Start	End	Hrs	Activity Description
13:00	14:30	1.5	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. RU CUTTERS WIRELINE. PERFORATED BLACKHAWK FROM 11238'-40', 11243'-45', 11252'-54', 11260'-62', 11270'-72' & 11282'-84' @ 3 SPF & 180° PHASING. RDWL. RU WIDE SPREAD SERVICES. BROKE DOWN FORMATION @ 4500 PSIG. ISIP 3400 PSIG. BLEED OFF PRESSURE. PUMPED 25 GAL DIESEL DOWN CSG. SD FOR HOLIDAY.

11-29-2006 Reported By SEARLE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,645	<b>Daily Total</b>	\$3,645
<b>Cum Costs: Drilling</b>	\$1,999,323	<b>Completion</b>	\$265,948	<b>Well Total</b>	\$2,265,272
<b>MD</b>	11.500	<b>TVD</b>	11.500	<b>Progress</b>	0
				<b>Days</b>	38
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : BLACKHAWK</b>	<b>PBTD : 11447.0</b>		<b>Perf : 11238-11284</b>		<b>PKR Depth : 0.0</b>

Activity at Report Time: PREP TO FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PLS. RAN BHP GUAGES TO BOTTOM OF PERFORATED INTERVAL. MAX BHP 6956 PSIG. RD PLS. SI. PREP TO FRAC.

12-03-2006 Reported By MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$119,014	<b>Daily Total</b>	\$119,014
<b>Cum Costs: Drilling</b>	\$1,999,323	<b>Completion</b>	\$384,963	<b>Well Total</b>	\$2,384,287
<b>MD</b>	11.500	<b>TVD</b>	11.500	<b>Progress</b>	0
				<b>Days</b>	38
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : BLACKHAWK</b>	<b>PBTD : 11447.0</b>		<b>Perf : 10612-11284</b>		<b>PKR Depth : 0.0</b>

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
08:00	06:00	22.0	SICP 2200 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4992 GAL YF125ST PAD, 45660 GAL YF125ST & YF120ST WITH 136760# 20/40 SAND @ 1-6 PPG. MTP 8721 PSIG. MTR 50 BPM. ATP 7067 PSIG. ATR 44.2 BPM. ISIP 5000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 10960'. PERFORATED BLACKHAWK FROM 10612'-13', 10620'-21', 10640'-42', 10675'-76', 10690'-92', 10704'-05', 10752'-53', 10843'-44', 10889'-90' @ 3 SPF & 120° PHASING. 10593'-94' MISFIRED. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5001 GAL YF125ST PAD, 52833 GAL YF125ST & YF120ST WITH 169940# 20/40 SAND @ 1-6 PPG. MTP 8163 PSIG. MTR 50.6 BPM. ATP 7574 PSIG. ATR 42 BPM. ISIP 4090 PSIG. RD SCHLUMBERGER.

FLOWED 17 HRS. 16/64" CHOKE. FCP 2100 PSIG. 45 BFPH. RECOVERED 1575 BLW. 1183 BLWTR.

12-04-2006 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$4,455 Daily Total \$4,455  
 Cum Costs: Drilling \$1,999,323 Completion \$389,418 Well Total \$2,388,742  
 MD 11,500 TVD 11,500 Progress 0 Days 39 MW 0.0 Visc 0.0  
 Formation : BLACKHAWK PBTB : 11447.0 Perf : 10612-11284 PKR Depth : 0.0

Activity at Report Time: FLOW BACK

Start End Hrs Activity Description  
 06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FCP 650 PSIG. 13 BFPH. RECOVERED 552 BBLS, 631 BLWTR.

12-05-2006 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$2,370 Daily Total \$2,370  
 Cum Costs: Drilling \$1,999,323 Completion \$391,788 Well Total \$2,391,112  
 MD 11,500 TVD 11,500 Progress 0 Days 40 MW 0.0 Visc 0.0  
 Formation : BLACKHAWK PBTB : 11447.0 Perf : 10612-11284 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description  
 06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FCP 100 PSIG. 7 BFPH. RECOVERED 292 BLW. 339 BLWTR.

12-06-2006 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$9,817 Daily Total \$9,817  
 Cum Costs: Drilling \$1,999,323 Completion \$401,605 Well Total \$2,400,929  
 MD 11,500 TVD 11,500 Progress 0 Days 41 MW 0.0 Visc 0.0  
 Formation : BLACKHAWK PBTB : 11447.0 Perf : 10612-11284 PKR Depth : 0.0

Activity at Report Time: S1 - PREP TO RUWL

Start End Hrs Activity Description  
 06:00 11:00 5.0 FLOWED 5 HRS. OPEN CHOKE. FCP 0 PSIG. 0 BFPH. RECOVERED 24 BLW. 315 BLWTR. WELL DEAD. S1.

12-09-2006 Reported By HOOLEY

DailyCosts: Drilling \$0 Completion \$4,231 Daily Total \$4,231  
 Cum Costs: Drilling \$1,999,323 Completion \$405,836 Well Total \$2,405,160  
 MD 11,500 TVD 11,500 Progress 0 Days 42 MW 0.0 Visc 0.0  
 Formation : BLACKHAWK/MESAVERDE PBTB : 11447.0 Perf : 8248-11284 PKR Depth : 0.0

Activity at Report Time: FRAC UPR

Start End Hrs Activity Description  
 06:00 18:00 12.0 SICP 950 PSIG. RU CUTTERS WL. SET 10K CBP AT 10105'. PERFORATED LPR FROM 10073'-75', 10025'-26', 9931'-32', 9905'-06', 9898'-9900', 9824'-26', 9812'-14' AND 9800'-01' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4977 GAL YF125ST+ PAD, 51534 GAL YF125ST+ & YF118ST+ WITH 155599# 20/40 SAND @ 1-5 PPG. MTP 7359 PSIG. MTR 51.3 BPM. ATP 5752 PSIG. ATR 48.4 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9720'. PERFORATED MPR FROM 9696'-97', 9684'-85', 9668'-69', 9639'-40', 9628'-29', 9610'-11', 9593'-95', 9584'-85', 9573'-74' AND 9549'-51' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4998 GAL YF125ST+ PAD, 41412 GAL YF125ST+ & YF118ST+ WITH 169035# 20/40 SAND @ 1-6 PPG. MTP 8053 PSIG. MTR 50.7 BPM. ATP 6034 PSIG. ATR 43.9 BPM. ISIP 3780 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9510'. PERFORATED MPR FROM 9487'-89', 9457'-59', 9437'-38', 9419'-20', 9397'-98', 9380'-82', 9362'-63', 9324'-25' AND 9291'-92' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4989 GAL YF125ST+ PAD, 44571 GAL YF125ST+ & YF118ST+ WITH 132530# 20/40 SAND @ 1-5 PPG. MTP 8247 PSIG. MTR 49.1 BPM. ATP 6810 PSIG. ATR 40.6 BPM. ISIP 4300 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8750'. PERFORATED UPR FROM 8728'-29', 8720'-21', 8704'-05', 8693'-95', 8662'-63', 8620'-21', 8612'-13', 8582'-83', 8543'-44', 8511'-12' AND 8474'-75' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4984 GAL YF125ST+ PAD, 52766 GAL YF125ST+ & YF118ST+ WITH 171300# 20/40 SAND @ 1-5 PPG. MTP 8594 PSIG. MTR 50.3 BPM. ATP 6321 PSIG. ATR 42.0 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8400'. PERFORATED UPR FROM 8377'-78', 8262'-63', 8354'-56', 8344'-44', 8326'-28', 8320'-21', 8276'-77', 8270'-71', 8254'-55' AND 8248'49' @ 3 SPF & 120° PHASING. RDWL. SDFN.

<b>12-10-2006</b>	<b>Reported By</b>		<b>HOOLEY</b>								
<b>Daily Costs: Drilling</b>	\$0		<b>Completion</b>	\$245,637		<b>Daily Total</b>	\$245,637				
<b>Cum Costs: Drilling</b>	\$1,999,323		<b>Completion</b>	\$651,473		<b>Well Total</b>	\$2,650,797				
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	43	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 11447.0</b>			<b>Perf : 8248-11284</b>		<b>PKR Depth : 0.0</b>				
<b>BLACKHAWK/MESAVERDE</b>											
<b>Activity at Report Time: PREP TO MIRUSU</b>											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
08:00	10:30	2.5	SICP 2090 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4981 GAL YF125ST+ PAD, 47771 GAL YF125ST+ & YF118ST+ WITH 146852# 20/40 SAND @ 1-5 PPG (UNABLE TO GET TO 6 PPG DUE TO SAND MASTER MALFUNCTION). MTP 5742 PSIG. MTR 50.7 BPM. ATP 5345 PSIG. ATR 49.6 BPM. ISIP 3460 PSIG. RD SCHLUMBERGER.								

RUWL. SET 10K CBP AT 8230'. BLED OFF PRESSURE. RDWL. SDFN.

<b>12-14-2006</b>	<b>Reported By</b>		<b>HISLOP</b>								
<b>Daily Costs: Drilling</b>	\$0		<b>Completion</b>	\$43,850		<b>Daily Total</b>	\$43,850				
<b>Cum Costs: Drilling</b>	\$1,999,323		<b>Completion</b>	\$695,323		<b>Well Total</b>	\$2,694,647				
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	44	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 11447.0</b>			<b>Perf : 8248-11284</b>		<b>PKR Depth : 0.0</b>				
<b>BLACKHAWK/MESAVERDE</b>											
<b>Activity at Report Time: DRILL CFPS</b>											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	18:00	12.0	MIRU ROYAL WELL SERVICE. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH WITH 3-7/8" MILL TOOTH BIT, 1-JT 2-3/8" N-80 8RD 4.7#, XN, 259-JTS TUBING TO CBP. SWI. SDFD.								

<b>12-15-2006</b>	<b>Reported By</b>		<b>HISLOP</b>								
<b>Daily Costs: Drilling</b>	\$0		<b>Completion</b>	\$80,880		<b>Daily Total</b>	\$80,880				
<b>Cum Costs: Drilling</b>	\$1,999,323		<b>Completion</b>	\$776,203		<b>Well Total</b>	\$2,775,527				
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	45	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 11447.0</b>			<b>Perf : 8248-11284</b>		<b>PKR Depth : 0.0</b>				
<b>BLACKHAWK/MESAVERDE</b>											
<b>Activity at Report Time: FLOW TEST</b>											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
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06:00 06:00 24.0 SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT CBP @ 8230'. CFPS @ 8400', 8750', 9510', 9720'. CBP @ 10105'. CFP @ 10960'. RIH. CLEANED OUT TO 11430'. LANDED TUBING @ 9751' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 1650 PSIG, CP 1600 PSIG. 45 BFPH. RECOVERED 632 BLW. 5668 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB .91'  
 1 JT 2-3/8" N-80 8RD 4.7# 31.38'  
 XN NIPPLE 1.10'  
 305 JTS 2-3/8" N-80 8RD 4.7# 9698.95'  
 BELOW KB 19.00'  
 LANDED @ 9751.34' KB

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<b>12-16-2006</b>	<b>Reported By</b>	HISLOP									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,493	<b>Daily Total</b>	\$3,493						
<b>Cum Costs: Drilling</b>	\$1,999,323	<b>Completion</b>	\$779,696	<b>Well Total</b>	\$2,779,020						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	46	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	PBTB : 11447.0		Perf : 8248-11284		PKR Depth : 0.0						
BLACKHAWK/MESAVERDE											
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1150 PSIG. CP 1100 PSIG. 36 BFPH. RECOVERED 862 BLW. 4806 BLWTR.								

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<b>12-17-2006</b>	<b>Reported By</b>	HISLOP									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,575	<b>Daily Total</b>	\$2,575						
<b>Cum Costs: Drilling</b>	\$1,999,323	<b>Completion</b>	\$782,271	<b>Well Total</b>	\$2,781,595						
<b>MD</b>	11,500	<b>TVD</b>	11,500	<b>Progress</b>	0	<b>Days</b>	47	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	PBTB : 11447.0		Perf : 8248-11284		PKR Depth : 0.0						
BLACKHAWK/MESAVERDE											
<b>Activity at Report Time: WO FACILITIES</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 900 PSIG. CP 1100 PSIG. 19 BFPH. RECOVERED 586 BLW. 4220 BLWTR. MODERATE CONDENSATE. SWI @ 6:00 AM. WO FACILITIES.								

FINAL COMPLETION DATE: 12/16/06

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No. **U-49518**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.  
**Old Squaws Crossing Unit II**

8. Lease Name and Well No.  
**Old Squaws Crossing Unit II 123-27**

9. AFI Well No.  
**43-047-36743**

10. Field and Pool, or Exploratory  
**Natural Buttes/Mesaverde**

11. Sec., T., R., M., on Block and Survey or Area **Sec. 27-T10S-R19E**

12. County or Parish **Utah County** 13. State **UT**

17. Elevations (DF, RKB, RT, GL)\*  
**5263' NAT GL**

1a. Type of Well  Oil Well  Gas Well  Dry  Other

b. Type of Completion:  New Well  Work Over  Deepen  Plug Back  Diff. Resvr.,  
Other \_\_\_\_\_

2. Name of Operator **EOG Resources, Inc.**

3. Address **600 17th Street, Suite 1000N, Denver, CO 80202** 3a. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface **2145' FNL & 1902' FEL (SW/NE) 39.919581 LAT 109.765586 LON**  
At top prod. interval reported below **Same**  
At total depth **Same**

14. Date Spudded **09/13/2006** 15. Date T.D. Reached **11/08/2006** 16. Date Completed **01/25/2007**  
 D & A  Ready to Prod.

18. Total Depth: MD **11,500** 19. Plug Back T.D.: MD **11,447** 20. Depth Bridge Plug Set: MD  
TVD TVD TVD

22. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**PEX/SONIC/DSI**

22. Was well cored?  No  Yes (Submit analysis)  
Was DST run?  No  Yes (Submit report)  
Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17-1/2"	13-3/8"	48.0#	H-40	0-536		500 sx			
12-1/4"	9-5/8"	43.5#	P-110	0-3800		670 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-11,490		2060 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	9751							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	8248	11,284	11,238-11,284		3/spf	
B)			10,612-10,890		3/spf	
C)			9800-10,075		3/spf	
D)			9549-9697		3/spf	

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
11,238-11,284	50,817 GALS GELLED WATER & 136,760# 20/40 SAND
10,612-10,890	57,999 GALS GELLED WATER & 169,940# 20/40 SAND
9800-10,075	56,676 GALS GELLED WATER & 155,599# 20/40 SAND
9549-9697	46,575 GALS GELLED WATER & 169,035# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/25/2007	02/01/2007	24	→	20	183	200			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
10/64"	SI 1250	2700	→	20	183	200			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	SI		→						

\*(See instructions and spaces for additional data on page 2)

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28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Wasatch	8248	11,284		Wasatch Chapita Wells Buck Canyon North Horn Mesaverde Middle Price River Lower Price River Sego Castlegate Blackhawk	4451 5046 5757 6703 8064 8899 9701 10,118 10,221 10,584

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)   
  Geologic Report   
  DST Report   
  Directional Survey  
 Sundry Notice for plugging and cement verification   
  Core Analysis   
  Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Mary A. Maestas Title Regulatory Assistant

Signature Mary A. Maestas Date 02/05/2007

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Old Squaws Crossing Unit II 123-27 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

9291-9489	3/spf
8474-8729	3/spf
8248-8378	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

9291-9489	49,725 GALS GELLED WATER & 132,530# 20/40 SAND
8474-8729	57,915 GALS GELLED WATER & 171,300# 20/40 SAND
8248-8378	52,917 GALS GELLED WATER & 146,852# 20/40 SAND

Perforated the Blackhawk from 11238-11240', 11243-11245', 11252-11254', 11260-11262', 11270-11272' & 11282-11284' w/ 3 spf.

Perforated the Blackhawk from 10612-10613', 10620-10621', 10640-10642', 10675-10676', 10690-10692', 10704-10705', 10752-10753', 10843-10844' & 10889-10890' w/ 3 spf.

Perforated the Lower Price River from 9800-9801', 9812-9814', 9824-9826', 9898-9900', 9905-9906', 9931-9932', 10025-10026' & 10073-10075' w/ 3 spf.

Perforated the Middle Price River from 9549-9551', 9573-9574', 9584-9585', 9593-9595', 9610-9611', 9628-9629', 9639-9640', 9668-9669', 9684-9685' & 9696-9697' w/ 3 spf.

Perforated the Middle Price River from 9291-9292', 9324-9325', 9362-9363', 9380-9382', 9397-9398', 9419-9420', 9437-9438', 9457-9459' & 9487-9489' w/ 3 spf.

Perforated the Upper Price River from 8474-8475', 8511-8512', 8543-8544', 8582-8583', 8612-8613', 8620-8621', 8662-8663', 8693-8695', 8704-8705', 8720-8721' & 8728-8729' w/ 3 spf.

Perforated the Upper Price River from 8248-8249', 8254-8255', 8270-8271', 8276-8277', 8320-8321', 8326-8328', 8343-8344', 8354-8356', 8362-8363' & 8377-8378' w/ 3 spf.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-49518</b>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>	3b. Phone No. (include area code) <b>303-824-5526</b>	7. If Unit or CA/Agreement, Name and/or No. <b>Old Squaws Crossing Unit II</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>2145' FNL &amp; 1902' FEL (SW/NE) Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON</b>		8. Well Name and No. <b>Old Squaws Crossing Unit II 123-27</b>
		9. API Well No. <b>43-047-36743</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Wastach/MV</b>
		11. County or Parish, State <b>Uintah County, UT</b>

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Commingling</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.**

**Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.**

**EOG Resources, Inc. operates under Nationwide Bond #2308**

COPIES SENT TO OPERATOR  
DATE: 3-9-07  
INITIALS: RM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>Mary A. Maestas</b>	Title <b>Regulatory Assistant</b>
Signature <i>Mary A. Maestas</i>	Date <b>02/26/2007</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date	Federal Approval Of This Action Is Necessary
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	<b>Accepted by the Utah Division of Oil, Gas and Mining</b>		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

DATE: 3/8/07  
*[Signature]*

**RECEIVED  
FEB 27 2007**

STATE OF COLORADO )

) ss

COUNTY OF DENVER )

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant for EOG Resources, Inc. EOG Resources, Inc. is the operator of the following described well:

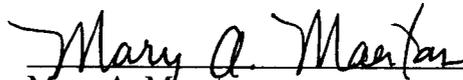
**Old Squaws Crossing Unit II 123-27  
2145' FNL – 1902' FEL (SWNE)  
SECTION 27, T10S, R19E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc. is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 26<sup>th</sup> day of February, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, and Bureau of Land Management.

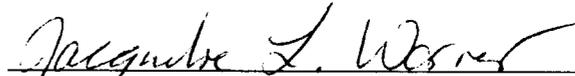
Further affiant saith not.

  
\_\_\_\_\_  
Mary A. Maestas  
Regulatory Assistant

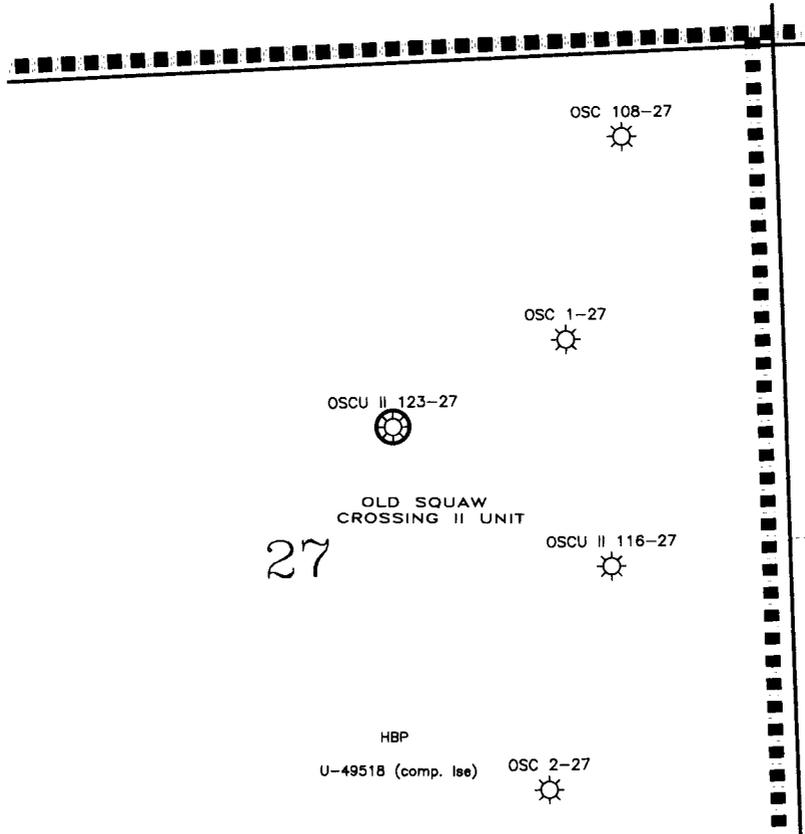
Subscribed and sworn before me this 26<sup>th</sup> day of February, 2007.



My Commission Expires 2/13/2010

  
\_\_\_\_\_  
Notary Public

R 19 E



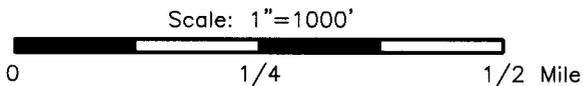
T  
10  
S

27

OLD SQUAW  
CROSSING II UNIT

HBP  
U-4951B (comp. lse) OSC 2-27

○ OSCU II 123-27



**Geog resources**

Denver Division

**EXHIBIT "A"**

OSCU II 123-27  
Commingling Application  
Uintah County, Utah

Scale:  
1" = 1000'

D:\utah\Commingled\page\_OSCU\_II\_123-27\_commingling.dwg  
WELL

Author

TLM

Feb 23, 2007 -  
12:03pm

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
 EOG Resources, Inc.

3a. Address  
 600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)  
 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 2145' FNL & 1902' FEL (SW/NE)  
 Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON

5. Lease Serial No.  
 U-49518

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
 Old Squaws Crossing Unit II

8. Well Name and No.  
 Old Squaws Crossing Unit II 123-27

9. API Well No.  
 43-047-36743

10. Field and Pool, or Exploratory Area  
 Natural Buttes/Wastach/MV

11. County or Parish, State  
 Uintah County, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests permission to recomplete the referenced well in the Wasatch formation as follows:

- Perforate the Upper Price River/North Horn from 8034-8036', 8041-8043', 8055-8057', 8080-8081', 8092-8093', 8107-8108', 8140-8141', 8154-8155' & 8166-8167' w/ 3 spf. Fracture stimulate with gelled water & 20/40 sand.
  - Perforate the North Horn from 7810-7812', 7837-7838', 7850-7852', 7866-7868', 7874-7876', 7916-7917', 7946-7947' & 7962-7963' w/ 3 spf. Fracture stimulate with gelled water & 20/40 sand.
  - Perforate the North Horn from 7270-7271', 7289-7290', 7326-7327', 7339-7340', 7365-7366', 7386-7387', 7399-7401', 7429-7430', 7473-7474', 7510-7511' & 7542-7543' w/ 3 spf. Fracture stimulate with gelled water & 20/40 sand.
  - Perforate the North Horn/Buck Canyon from 6525-6527', 6540-6542', 6897-6900' & 7142-7145' w/ 3 spf.
  - Perforate the Buck Canyon from 5802-5803', 5813-5814', 5854-5855', 5858-5860', 5864-5865', 5876-5877', 5884-5886', 5894-5895', 5900-5901' & 5909-5910' w/ 2 spf. Fracture stimulate with gelled water & 20/40 sand.
  - Perforate the Chapita Wells from 5606-5607', 5615-5616', 5629-5630', 5640-5641', 5652-5654', 5659-5661', 5675-5677', 5704-5705', 5717-5718', 5730-5731' & 5736-5737' w/ 2 spf. Fracture stimulate with gelled water & 20/40 sand.
  - Perforate the Chapita Wells from 5452-5453', 5457-5460' & 5467-5471' w/ 3 spf. Fracture stimulate with gelled water & 20/40 sand.
  - Perforate the Chapita Wells from 5132-5134', 5136-5138' & 5140-5144' w/ 3 spf. Fracture stimulate with gelled water & 20/40 sand.
- Return well to sales, commingling the Wasatch and Mesaverde formations.

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

*Mary A. Maestas*

Date

02/26/2007

3-9-07  
RM

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Accepted by the  
 Title Utah Division of  
 Oil, Gas and Mining  
 Office 318107

Federal Approval Of This  
 Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

FEB 27 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

<b>SUBMIT IN TRIPLICATE- Other instructions on reverse side.</b>		5. Lease Serial No. <b>U-49518</b>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG Resources, Inc.</b>		7. If Unit or CA/Agreement, Name and/or No. <b>Old Squaws Crossing Unit II</b>
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>	3b. Phone No. (include area code) <b>303-824-5526</b>	8. Well Name and No. <b>Old Squaws Crossing Unit II 123-27</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>2145' FNL &amp; 1902' FEL (SW/NE) Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON</b>		9. API Well No. <b>43-047-36743</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Wastach/MV</b>
		11. County or Parish, State <b>Uintah County, UT</b>

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. recompleted the referenced well in the Wasatch formation as follows:**

1. Perforated the Upper Price River/North Horn from 8034-8036', 8041-8043', 8055-8057', 8080-8081', 8092-8093', 8107-8108', 8140-8141', 8154-8155' & 8166-8167' w/ 3 spf. Fracture stimulated with 60,393 gals gelled water & 168,400# 20/40 sand.
  2. Perforated the North Horn from 7810-7812', 7837-7838', 7850-7852', 7866-7868', 7874-7876', 7916-7917', 7946-7947' & 7962-7963' w/ 3 spf. Fracture stimulated with 56,151 gals gelled water & 168,800# 20/40 sand.
  3. Perforated the North Horn from 7270-7271', 7289-7290', 7326-7327', 7339-7340', 7365-7366', 7386-7387', 7399-7401', 7429-7430', 7473-7474', 7510-7511' & 7542-7543' w/ 3 spf. Fracture stimulated with 49,053 gals gelled water & 132,700# 20/40 sand.
  4. Perforated the North Horn/Buck Canyon from 6525-6527', 6540-6542' & 6897-6900' w/ 3 spf. Perf only.
  5. Perforated the Buck Canyon from 5802-5803', 5813-5814', 5854-5855', 5858-5860', 5864-5865', 5876-5877', 5884-5886', 5894-5895', 5900-5901' & 5909-5910' w/ 2 spf. Fracture stimulated with 34,524 gals gelled water & 102,100# 20/40 sand.
  6. Perforated the Chapita Wells from 5606-5607', 5615-5616', 5629-5630', 5640-5641', 5652-5654', 5659-5661', 5675-5677', 5704-5705', 5717-5718', 5730-5731' & 5736-5737' w/ 2 spf. Fracture stimulated with 40,698 gals gelled water & 139,900# 20/40 sand.
  7. Perforated the Chapita Wells from 5452-5453', 5457-5460' & 5467-5471' w/ 3 spf. Fracture stimulated with 30,366 gals gelled water & 91,500# 20/40 sand.
- See attached sheet.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) <b>Mary A. Maestas</b>	Title <b>Regulatory Assistant</b>
Signature	Date <b>06/28/2007</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**JUL 03 2007**

***Old Squaws Crossing Unit II 123-27*** – Additional comments.

8. Perforated the Chapita Wells from 5132-5134', 5136-5138' & 5140-5144' w/ 3 spf. Fracture stimulated with 27,804 gals gelled water & 74,720# 20/40 sand.

Returned well to sales on 6/24/2007, commingling production from the Wasatch and Mesaverde formations.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
UTU49518

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

7. If Unit or CA/Agreement, Name and/or No.  
OSCU II

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
OSCU II 123-27

2. Name of Operator  
EOG RESOURCES, INC. Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

9. API Well No.  
43-047-36743

3a. Address  
600 17TH STREET SUITE 1000N  
DENVER, CO 80202

3b. Phone No. (include area code)  
Ph: 303-824-5526

10. Field and Pool, or Exploratory  
NATURAL BUTTES/WASATCH/MV

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 27 T10S R19E SWNE 2145FNL 4902FEL  
39.91958 N Lat, 109.76559 W Lon

11. County or Parish, and State  
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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The reserve pit on the referenced location was closed as per the APD procedure.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58265 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* (Electronic Submission)

Date 01/24/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

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**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

RECEIVED  
JAN 28 2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

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<b>SUBMIT IN TRIPLICATE- Other instructions on reverse side.</b>		5. Lease Serial No. <b>U-49518</b>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG Resources, Inc.</b>		7. If Unit or CA/Agreement, Name and/or No. <b>Old Squaws Crossing Unit II</b>
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>		8. Well Name and No. <b>Old Squaws Crossing Unit II 123-27</b>
3b. Phone No. (include area code) <b>303-824-5526</b>		9. API Well No. <b>43-047-36743</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>2145' FNL &amp; 1902' FEL (SW/NE) Sec. 27-T10S-R19E 39.919581 LAT 109.765586 LON</b>		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Wasatch/MV</b>
		11. County or Parish, State <b>Uintah County, UT</b>

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. recompleted the referenced well in the Wasatch formation as follows:

1. Perforated the Upper Price River/North Horn from 8034-8036', 8041-8043', 8055-8057', 8080-8081', 8092-8093', 8107-8108', 8140-8141', 8154-8155' & 8166-8167' w/ 3 spf. Fracture stimulated with 60,393 gals gelled water & 168,400# 20/40 sand.
  2. Perforated the North Horn from 7810-7812', 7837-7838', 7850-7852', 7866-7868', 7874-7876', 7916-7917', 7946-7947' & 7962-7963' w/ 3 spf. Fracture stimulated with 56,151 gals gelled water & 168,800# 20/40 sand.
  3. Perforated the North Horn from 7270-7271', 7289-7290', 7326-7327', 7339-7340', 7365-7366', 7386-7387', 7399-7401', 7429-7430', 7473-7474', 7510-7511' & 7542-7543' w/ 3 spf. Fracture stimulated with 49,053 gals gelled water & 132,700# 20/40 sand.
  4. Perforated the North Horn/Buck Canyon from 6525-6527', 6540-6542' & 6897-6900' w/ 3 spf. Perf only.
  5. Perforated the Buck Canyon from 5802-5803', 5813-5814', 5854-5855', 5858-5860', 5864-5865', 5876-5877', 5884-5886', 5894-5895', 5900-5901' & 5909-5910' w/ 2 spf. Fracture stimulated with 34,524 gals gelled water & 102,100# 20/40 sand.
  6. Perforated the Chapita Wells from 5606-5607', 5615-5616', 5629-5630', 5640-5641', 5652-5654', 5659-5661', 5675-5677', 5704-5705', 5717-5718', 5730-5731' & 5736-5737' w/ 2 spf. Fracture stimulated with 40,698 gals gelled water & 139,900# 20/40 sand.
  7. Perforated the Chapita Wells from 5452-5453', 5457-5460' & 5467-5471' w/ 3 spf. Fracture stimulated with 30,366 gals gelled water & 91,500# 20/40 sand.
- See attached sheet.

**RECEIVED**  
**FEB 15 2008**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

**DIV. OF OIL, GAS & MINING**

Signature

*Mary A. Maestas*

Date

**06/28/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

***Old Squaws Crossing Unit II 123-27*** – Additional comments.

8. Perforated the Chapita Wells from 5132-5134', 5136-5138' & 5140-5144' w/ 3 spf. Fracture stimulated with 27,804 gals gelled water & 74,720# 20/40 sand.

Returned well to sales on 6/24/2007, commingling production from the Wasatch and Mesaverde formations.

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

**ROUTING**  
**CDW**

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**10/1/2011**

**FROM:** (Old Operator):  
 N9550-EOG Resources, Inc.  
 1060 E Highway 40  
 Vernal, UT 84078

**TO:** ( New Operator):  
 N3755-Koch Exploration Company, LLC.  
 9777 Pyramid Court, Suite 210  
 Englewood, CO 80112

Phone: 1 (435) 781-9145

Phone: 1 (303) 325-2561

**CA No.**

**Unit:**

**NORTH ALGER**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 10 WELLS								

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 11/9/2011
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/9/2011
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/29/2011
- Is the new operator registered in the State of Utah: Business Number: 5078823-0161
- (R649-9-2) Waste Management Plan has been received on: Requested 12/19/2011
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 11/2/2011 BIA
- Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: 10/24/2011
- Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: not yet
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 12/19/2011
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/19/2011
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: COB000296
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number n/a
- The **FORMER** operator has requested a release of liability from their bond on: n/a

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

**COMMENTS:** Five undrilled APDs are not being transferred at this time and may be rescinded in the future.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
Multiple Leases

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No. Natural Buttes
2. Name of Operator EOG Resources, Inc. <b>N9550</b>		8. Well Name and No. Multiple Wells
3a. Address 1060 EAST HIGHWAY 40, VERNAL, UT 84078	3b. Phone No. (include area code) 435-781-9145	9. API Well No. See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) See Attached		10. Field and Pool or Exploratory Area Natural Buttes
		11. Country or Parish, State Uintah, Utah

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

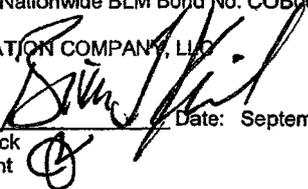
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list (the "Subject Wells") to Koch Exploration Company, LLC and will relinquish and transfer operatorship of all of the Subject Wells to Koch Exploration Company, LLC on October 1, 2011.

As of October 1, 2011, Koch Exploration Company, LLC will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Koch Exploration Company, LLC's Nationwide BLM Bond No. COB000296.

KOCH EXPLORATION COMPANY, LLC **N3755**

By:  Date: September 1, 2011  
Brian J. Kissick  
Vice President

Address: 9777 Pyramid Court, Suite 210  
Englewood, Colorado 80112

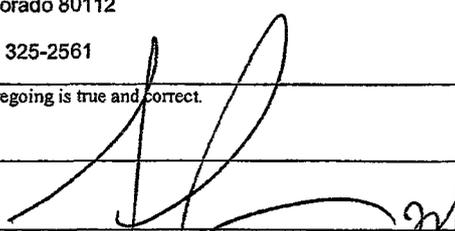
Telephone Number: (303) 325-2561

**RECEIVED**

NOV 09 2011

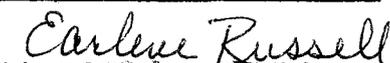
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed) J. Michael Schween	Title Agent and Attorney-in-Fact
Signature 	Date 09/01/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPROVED 12/19/2011**

Approved by

  
Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Change of Operator from EOG Resources, Inc (N9555)  
to Koch Exploration Company, LLC (N3755)  
NORTH ALGER UNIT

OSC II 1-27	27	100S	190E	4304731722	10687	Federal	GW	P	NORTH ALGER
OSC 2-27	27	100S	190E	4304731898	10687	Federal	GW	P	NORTH ALGER
OSCU II 108-27	27	100S	190E	4304733463	10687	Federal	GW	P	NORTH ALGER
OS CROSSING U II 109-27	27	100S	190E	4304736269	10687	Federal	GW	P	NORTH ALGER
OSCU II 123-27	27	100S	190E	4304736743	10687	Federal	GW	P	NORTH ALGER
OSCU II 122-27	27	100S	190E	4304737678	10687	Federal	GW	P	NORTH ALGER
OSCU II 124-27	27	100S	190E	4304737679	10687	Federal	GW	P	NORTH ALGER
OSCU II 116-27	27	100S	190E	4304737680	10687	Federal	GW	P	NORTH ALGER
OSCU II 126-34	34	100S	190E	4304738901	10687	Federal	GW	P	NORTH ALGER
OSCU II 125-34	34	100S	190E	4304738902	10687	Federal	GW	P	NORTH ALGER



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:  
3180 (UTU63094X)  
UT-922

OCT 24 2011

Morgan J. Connor  
Koch Exploration Company, LLC  
9777 Pyramid Court, Suite 210  
Englewood, CO 80112

Re: Successor Operator  
North Alger Unit  
Agreement No. UT080P49-86U697  
AFS No. 83686U697X  
Uintah County, Utah

Dear Mr. Connor:

On September 30, 2011, we received an indenture dated September 1, 2011, whereby EOG Resources, Inc. resigned as Unit Operator and Koch Exploration Company, LLC was designated as Successor Unit Operator for the North Alger Unit, Uintah County, Utah. The indenture was executed by both parties and the signatory parties (working interest owners) have complied with Sections 5 and 6 of the unit agreement.

The instrument is hereby approved effective October 24, 2011. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the North Alger Unit Agreement.

Your nationwide oil and gas bond, No. 82203357 (BLM Bond No. COB000296) will be used to cover unit operations.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

Sincerely,

Roger L. Bankert  
Chief, Branch of Minerals

Enclosure

cc: UDOGM  
SITLA  
ONRR - Leona Reilly  
BLM FOM - Vernal

**RECEIVED**

NOV 07 2011

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